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FBIS-SOV-94-109 *7 June 1994*

CONTENTS

INTERNATIONAL AFFAIRS

'Baltops-94' Joint Naval Exercises Start 6 Jun *[INTERFAX]* 1
CSCE Secretary General Visits CIS Headquarters *[ITAR-TASS]* 1
Meets CIS Executive Secretary, Hryb *[BELAPAN]* 1

INTERREGIONAL AFFAIRS

ITAR-TASS Carries Press Review for 7 Jun 2

RUSSIA INTERNATIONAL AFFAIRS

PRC Studies Russian Proposal on Korean Conference *[ITAR-TASS]* 3
PRC Opposes Sanctions Against DPRK *[ITAR-TASS]* 3
Scientist Opposes Sanctions Against DPRK, Urges Talks *[ITAR-TASS]* 3
Paper Cites Clinton on 'Unanimous' Stance on DPRK *[IZVESTIYA 7 Jun]* 4
Clinton Seen Risking Triggering 'Catastrophic' Korean War *[KOMSOMOLSKAYA PRAVDA 7 Jun]* 4
Further Reportage on ROK President's Visit 4
Meets Russian, Korean Businessmen *[ITAR-TASS]* 4
Meets Foreign Intelligence Service Head *[ITAR-TASS]* 5
Meets ITAR-TASS General Director *[ITAR-TASS]* 5
Issues Warning to Pyongyang *[ITAR-TASS]* 5
Holds Talks in Khabarovsk *[ITAR-TASS]* 5
Visits Vladivostok *[ITAR-TASS]* 6
Praises Russian Sailors *[ITAR-TASS]* 6
Ends Visit to Vladivostok *[ITAR-TASS]* 6
Seoul, Moscow Agree on Closer Technology Cooperation *[Seoul YONHAP]* 6
Moscow To Supply More Low-Enriched Uranium To ROK *[INTERFAX]* 7
Japan Rejects Proposal for Conference on Korea *[ITAR-TASS]* 7
Sea Border With Japan 'Particularly Strained This Month' *[ITAR-TASS]* 7
Trade, Economic Talks With Japan Conclude *[ITAR-TASS]* 8
Soskovets Arrives To Sign Malaysia MiG Sales Deal *[ITAR-TASS]* 8
Malaysia, India in MiG Purchase, Modernization Deals *[ROSSIYSKIYE VESTI 7 Jun]* 8
Yarov Arrives in India, Talks with Commerce Minister *[ITAR-TASS]* 9
PRC Air Force Delegation Shows Interest in MIG-29 *[INTERFAX]* 10
Economic Ties With PRC Discussed in Beidaihe *[ITAR-TASS]* 10
Trade With Heilongjiang 'Dropped Drastically' *[ITAR-TASS]* 11
UN Peacekeeper Seriously Wounded in Sarajevo *[ITAR-TASS]* 11
Churkin Returns from Geneva; Nikiforov Stands In *[Belgrade TANJUG]* 11
Kozyrev, Cypriot Foreign Minister Hold Talks in Moscow *[ITAR-TASS]* 12
Kozyrev, Mikhailidhis on Talks *[Nicosia Radio]* 12
Paris Club Agrees To Defer Debt Repayments *[ITAR-TASS]* 12
Yeltsin on Representatives in Normandy *[INTERFAX]* 12
Findings of Joint Panel on POW's, MIA's Detailed *[IZVESTIYA 4 Jun]* 13
Archives Throw Light on Fate of U.S. MIA's *[ITAR-TASS]* 14
Reverberations of Ames Case Within CIA Viewed *[ROSSIYSKAYA GAZETA 2 Jun]* 14
U.S. Firm Buys Rockets for Use as Target Practice *[KRASNAYA ZVEZDA 3 Jun]* 14
Russia To Sell Brazil Air Defense Missiles, Launchers *[ITAR-TASS]* 15
Chile's General Pinochet Cancels Visit *[Radio Rossii]* 15
Kondratyev Seeks Peacekeeping Force for Georgia *[INTERFAX]* 15
Geneva Talks on Georgia-Abkhazia Postponed to 15 Jun *[ITAR-TASS]* 15
Military Denies Russian Forces Move to Georgia *[Moscow Radio]* 16
Soskovets Receives Visiting Kazakh Foreign Minister *[Almaty Radio]* 16
Kazkakh Foreign Minister on Integration *[INTERFAX]* 16

Moscow Seeks Greater Role in Kazakhstan Space, Oil *[KOMMERSANT-DAILY 4 Jun]* 16
Moscow Protests UK-Azerbaijani Caspian Oil Deal *[IZVESTIYA 7 Jun]* 17
Moscow's Rising Profile in Karabakh Viewed *[NEZAVISIMAYA GAZETA 31 May]* 17
Accord Signed With Ukraine on Extending Gas Pipelines *[Moscow Radio]* 18

RUSSIA NATIONAL AFFAIRS

Political Issues

Shumeyko Appointed to Security Council *[Russian TV]* 19
Yeltsin Edict on Boosting Anti-Crime Measures *[ROSSIYSKAYA GAZETA 1 Jun]* 19
MVD Holds Briefing on Gold, Hard Currency Theft *[ROSSIYSKAYA GAZETA 2 Jun]* 21
'Rumors' of Special Unit's Return to FCS Denied
[NOVAYA YEZHEDNEVNAYA GAZETA 4 Jun] 21
FCS Personnel Officer Interviewed *[KRASNAYA ZVEZDA 4 Jun]* 21
Further Reportage on Russian-Chechen Relations 22
Leadership May Ask for Extradition *[Moscow Radio]* 22
Filatov Accuses Dudayev of 'Foiling' Talks *[INTERFAX]* 23
Shakhray Interviewed on Situation *[INTERFAX]* 23
Agrarian Party on 'Accord for Russia' Movement *[INTERFAX]* 25

Media Issues

AL-QUDS Weekly Banned For 'Anti-Jewish Propaganda' *[Tehran IRNA]* 25

Economic Issues

Central Bank Tightens Currency Exchange Control *[Russian TV]* 25
Draft Law on State Budget To Be Adopted in Jun *[INTERFAX]* 25
Further on Edict on Sale of Bankrupt Enterprises *[IZVESTIYA 4 Jun]* 25
Minister Views Export Liberalization Edict *[IZVESTIYA 4 Jun]* 26
Currency Exchange Facilities Issue Forged Documents *[IZVESTIYA 2 Jun]* 27

Military & Nuclear Issues

Atomic Energy Minister Interviewed *[KOMSOMOLSKAYA PRAVDA 4 Jun]* 27
Union Leader: 'Atomic Industry on Brink of Stoppage' *[ITAR-TASS]* 31
Nuclear-Powered Cruiser's Completion Expected *[KRASNAYA ZVEZDA 3 Jun]* 31
Servicemen Union, Defense Ministry Sign Accord *[IZVESTIYA 3 Jun]* 32

Federal Assembly

Shakhray Urges Federation Council To Back Abkhazia Force *[KRASNAYA ZVEZDA 4 Jun]* 32
Defense Ministry Representative on Military Budget *[ITAR-TASS]* 33
Duma Aide on Deputies' Status, Privileges *[ROSSIYSKAYA GAZETA 1 Jun]* 33
Duma Calls for More TV Coverage *[IZVESTIYA 3 Jun]* 35

Regional Affairs

Khasbulatov Denied Chechen Residency *[INTERFAX]* 36
Chechen Politician Denounces Ban *[ITAR-TASS]* 36
Groznyy Officials Accuse Moscow of Occupation *[SEGODNYA 7 Jun]* 36
N. Caucasus Association Could Have 'Stabilizing' Role *[ROSSIYSKIYE VESTI 2 Jun]* 37
Rutskoy Seen Gaining Support in Regions *[ROSSIYSKIYE VESTI 3 Jun]* 37
Tatarstan Soviet Creates Minimum Wage Law *[IZVESTIYA TATARSTANA 3 Jun]* 38
Yeltsin Staff May Dismiss Chelyabinsk Oblast Head
[NOVAYA YEZHEDNEVNAYA GAZETA 4 Jun] 39
Kalmykia Elects Head of Government *[Moscow Radio]* 39
Kostroma Official Sues Papers for Defamation *[IZVESTIYA 3 Jun]* 40
Novosibirsk Oblast Adopts Economic Stabilization Plan *[ROSSIYSKIYE VESTI 7 Jun]* 40
'Excessive Militarization' Harms Novosibirsk Economy *[ITAR-TASS]* 40

Novosibirsk Decree Restricts Advertising *[SOVESKAYA SIBIR 2 Jun]* 40
Vladivostok Arms Dump Clear of Danger *[TRUD 4 Jun]* 42
Plant To Build Helicopters, Export Military Products *[Vladivostok Radio]* 43
Illegal Immigrants Purged in Maritime Kray *[KOMSOMOLSKAYA PRAVDA 4 Jun]* 43

UKRAINE

International Affairs

DPRK Minister Calls for Talks With ROK on Nuclear Issue *[INTERFAX]* 44
Says DPRK Will Be Nuclear-Free State *[UNIAN]* 44
Says No 'Pressure' Will Solve Problems *[UNIAR]* 44
No Results Seen in Black Sea Fleet Talks *[UNIAN]* 44
Donuzlava Officers Send Open Letter to Russian Navy Chief *[NEZAVISIMAYA GAZETA 4 Jun]* 45
PRC Expresses Concern Over Crimean Situation *[Kiev International]* 45

National Affairs

Nationalists Said Preparing To Send 'Thugs' Into Crimea *[NOVAYA YEZHEDNEVNAYA GAZETA 7 Jun]* 45
Supreme Council Delegation Leaves for Crimea *[Moscow Radio]* 46
Meshkov on Parliamentarians' 'Civic Duty' *[Russian TV]* 46
Dniester Calls Crimean Crisis 'Internal Affair' *[BASAPRESS]* 46
Crimean Vice Premier Explains Cabinet Choice *[ROSSIYSKIYE VESTI 7 Jun]* 46
Kravchuk: New Government Must Be Formed Soon *[ITAR-TASS]* 47
Supreme Council Sessions 31 May-3 Jun Detailed *[VYBIR]* 48
Newly-Elected Chairmen of Standing Commissions Listed *[URYADOVYY KURYER 2 Jun]* 49
Communist People's Deputy Interviewed on Elections *[VYBIR]* 49
Conservative-Republican Deputy Interviewed *[VYBIR]* 50
Rukh Greater Council Discusses Presidential Election *[UNIAN]* 50
Moroz Views Reform, Disarmament *[DEMOKRATYCHNA UKRAYINA 2 Jun]* 51
Kravchuk Visits Kharkov Tractor Plant *[Kiev International]* 51
Anti-Inflation Policies Blasted; Production Drop Predicted *[VYBIR]* 51
Kolubchenko Urges Moves To Stabilize Economy *[UNIAR]* 52
Landyk Views Government Economic Policy *[ZA VILNU UKRAYINU 26 May]* 52
Black Sea Fleet Officers Run for Mayor of Sevastopol *[KRASNAYA ZVEZDA 4 Jun]* 54
National Council To Control Radio, Television *[INTERFAX]* 54

WESTERN REGION

Belarus

Ministry Rejects Accusation of Suppressing Press *[NARODNAYA GAZETA 3 Jun]* 55
Local Press Instructed To Use Official Election Coverage *[RID]* 55
Kebich Accuses National Bank of Treason Over Credit Refusal *[INTERFAX]* 55
Protocol With Russian Foreign Ministry Initialed *[Minsk Radio]* 56

Moldova

Russian Commander Favors Military Settlement of Conflicts *[BASAPRESS]* 56
No Insistence on 14th Army Pullout by 1 Jul *[INTERFAX]* 56
Euro-Atlantic Center Criticizes Snegur-Smirnov Declaration *[BASAPRESS]* 57
Crime Figures Released *[BASAPRESS]* 57

CENTRAL ASIA

Kazakhstan

Nazarbayev Completes Draft Document on Eurasian Union *[ITAR-TASS]* 58
Kekilbayev Shows Interest in Indian Self-Government *[ITAR-TASS]* 58

Indian Foreign Minister Comments on Nazarbayev Meeting *[ITAR-TASS]* 58
Akayev Sees Grounds for Stronger Ties With India *[INTERFAX]* 59
1994 Budget Amendments Still Under Review *[Almaty Radio]* 59
Kazakhstanis Disillusioned With National Currency *[IZVESTIYA 4 Jun]* 59

Kyrgyzstan

President Akayev on Expectations From NATO *[INTERFAX]* 59
Report on Electricity Production Issued *[Bishkek Radio]* 60

Tajikistan

President Creates Security Ministry Border Guard *[ITAR-TASS]* 60
Joint Russian-Tajik Forces Patrol Dushanbe Streets *[Dushanbe Radio]* 60
Round-the-Clock Security Patrols Start *[ITAR-TASS]* 60
Kondratev Says Tajik Opposition Aims at Destabilization *[INTERFAX]* 60
MIR Denies Involvement in Russian Servicemen's Deaths *[INTERFAX]* 61
Islamic Revival Movement Denounces Adamishin Statement *[INTERFAX]* 61
Rakhmonov Leaves for CIS Assembly in St Petersburg *[Dushanbe Radio]* 62

Turkmenistan

Niyazov Signs Accords With Indonesia *[Moscow Radio]* 62

Uzbekistan

Karimov Plans Joining NATO Partnership for Peace Program *[Radio Rossii]* 62
Karimov, ROK's Young-sam Hold News Conference *[ITAR-TASS]* 62
Cooperation Accords Signed With ROK *[INTERFAX]* 62
New Islam-Based Ideology Seeks To Unite Uzbek Nation *[ROSSIYSKAYA GAZETA 2 Jun]* 63

CAUCASUS

Armenia

Cease-Fire Violations, Attack on Border Reported *[Yerevan Radio]* 65
Azeris Reportedly Shell Karabakh *[SNARK]* 65
Further on Shelling of Northern Border *[Yerevan Radio]* 65
RMK Army Col Babayan Promoted to General-Major
[ARAGIL ELECTRONIC NEWS BULLETIN] 65
Border Trade Agreement Signed With Iran *[ROSSIYSKAYA GAZETA 4 Jun]* 65
Russian Nuclear Energy Specialists on 'Working Visit'
[ARAGIL ELECTRONIC NEWS BULLETIN] 66
Prime Minister Receives Russian Scientists *[SNARK]* 66
Prime Minister Guseynov Criticizes Privatization *[SNARK]* 66

Georgia

Shevardnadze Weekly Interview 6 Jun *[Tbilisi Radio]* 67
Former Minister Appointed Cabinet Chief of Staff *[Tbilisi TV]* 69
'Furor' Over Alleged Shevardnadze Abuses *[ROSSIYSKAYA GAZETA 7 Jun]* 69
Georgia Insists on Joint Command of Russian Bases *[SNARK]* 69
Peacekeepers' Deployment 'Unresolved' *[INTERFAX]* 69
Crime-Fighting Paratroop Brigade Introduced *[KRASNAYA ZVEZDA 4 Jun]* 70
National Bank Halts Registration of New Commercial Banks *[REZONANSI 27 May]* 70

BALTIC STATES

Estonia

Russian Deputy Foreign Minister Arrives in Tallinn *[Tallinn Radio]* 71
Einseln Wants Israeli Connections Made Public *[BNS]* 71
Einseln Denies Defense Minister Candidate Return *[BNS]* 71
Round of Free Trade Negotiations With EU Closes *[ETA]* 72

Latvia

Foreign Minister Andrejevs Resigns *[Riga Radio]* 72
Resigns Over KGB Allegations *[ITAR-TASS]* 73
Transportation Agreement Signed With Norway *[BNS]* 73
Redesignation of Military Antenna Viewed *[NOVAYA YEZHEDNEVNAYA GAZETA 30 May]* ... 73

Lithuania

Government Faces Possible No Confidence Debate *[Vilnius Radio]* 74
Brazauskas Signs Law on Government *[BNS]* 74
Official Gives Details on May Inflation *[INTERFAX]* 75
Statistics Belie Promises on Living Standards *[IZVESTIYA 2 Jun]* 75

'Baltops-94' Joint Naval Exercises Start 6 Jun

LD0306194194 Moscow INTERFAX in English 1810 GMT 3 Jun 94

[Text] From June 6 through 10 in the southern part of the Baltic Sea the Baltops-94 joint exercises will take place. Participants include vessels from Russia, the USA, Belgium, Denmark, Germany, Finland, Latvia, Lithuania, the Netherlands, Norway, Poland, Sweden and Estonia. Russia will be represented by the patrol boat Neustrashimy, the press service of the Russian navy told Interfax.

During the exercises firing and rescue operations will be practiced. For the first time the exercises will include U.S. parachutists from the Orion naval aircraft making a landing on water to be taken aboard by the Russian ship Neustrashimy.

During the exercises the ships are due to call in at Kiel (Germany) and Gdynia (Poland).

CSCE Secretary General Visits CIS Headquarters

LD0606201894 Moscow ITAR-TASS World Service in Russian 1501 GMT 6 Jun 94

[By BELINFORM correspondent Larisa Klyuchnikova—TASS]

[Text] Minsk, 6 June—Commonwealth Executive Secretary Ivan Korotchenya received CSCE Secretary General Wilhelm Hoeynck, who arrived in Minsk at Korotchenya 's invitation on Sunday [5 June], at the CIS headquarters today. A productive conversation about common CIS and CSCE problems took place. The "hot" spots in particular were discussed.

Wilhelm Hoeynck noted that in his view the current concept of peacemaking should be amended slightly. For example, he thinks that the concept should reflect the need for the parties in a conflict to agree to the introduction of UN forces and to the conditions for cooperation between observers and the peacekeeping forces; and the procedure for withdrawing troops from the conflict zone should be set out.

I. Korotchenya and W. Hoeynck were in mutual understanding on the issue of strengthing links between the CSCE and CIS working bodies and joining efforts in peacemaking activities. The CSCE secretary general was also interested in the CIS situation, prospects, and integrationary policies. Detailed answers were given to these questions.

Meets CIS Executive Secretary, Hryb

WS0706101894 Minsk BELAPAN in Belarusian 1800 GMT 6 Jun 94

[Text] CSCE General Secretary Wilhelm Hoeynck arrived in Minsk on 6 June at the invitation of CIS Executive Secretary Ivan Karatchenya. On the same day, Hoeynck met Secretary Karatchenya and discussed a wide range of issues including regional conflicts in Europe. The parties agreed that it is time the concept of peacekeeping and the mechanism for deploying peacekeeping forces were revised. Ivan Karatchenya and Hoeynck agreed that it is necessary to more timely and fully exchange information on activities of the CSCE, the CIS, and the situation in Europe, as well as hold joint forums on issues of mutual concern. The sides then discussed the issue of more active participation of CIS structures in preparing for the Budapest summit scheduled to take place in December 1994.

Hoeynck was then received by Belarusian Supreme Soviet Chairman Myacheslaw Hryb and Foreign Minister Pyotr Krawchanka.

On 7 June, Hoeynck is to visit the UN office in Minsk and hold a news conference on the results of the visit.

ITAR-TASS Carries Press Review for 7 Jun

LD0706071494 Moscow ITAR-TASS in English 0541 GMT 7 Jun 94

["Press Review"—ITAR-TASS headline]

[Text] Moscow June 7 TASS—ROSSIYSKIYE GAZETA on Russia's state budget for 1994.

In an article headlined "We Are All Hostages of the Military- Industrial Complex", the newspaper describes it as a war-time budget.

Comparing last year's and this year's state expenditure, the writer of the article arrives at a conclusion that no military reform is underway in the country and, as a consequence, there is no reduction in military expenditure.

ROSSIYSKAYA GAZETA, in another article, reports that an attempt by high-speed Japanese schooners to intrude into Russian territorial waters en masse was stopped in the area of south Kurils. The chief committee of Russia's frontier forces views the attempt as a test of vigilance of the forces involved in the Putina (Fishing Season)-94 anti-poaching operation.

NEZAVISIMAYA GAZETA carries an interview with General Aleksandr Lebed, commander of the 14th Russian Army stationed in Tiraspol.

"In the Dniester region, one should not act by strongarm tactics. It is necessary to democratise the situation. Historical experience indicates that all wars end with peace. Wise is the one who prevents a war and, if it still breaks out, brings it to an end as soon as possible and keeps peace for as long as possible," Lebed said.

NEZAVISIMAYA GAZETA runs an interview with Viktor Davydkin, deputy chairman of Russia's Choice movement, who said: "The democratic movement is heterogeneous and it is possible to unite it only on the basis of flexible, even loose blocs, movements, etc. We are in for a difficult struggle against nascent fascism in Russia. But this struggle can be effective only if we act in alliance with all anti-fascist forces."

ROSSIYSKIYE VESTI reports that Russia's first food quality control laboratory, financed by the European Union, has opened in the city of Pushchino near Moscow on the basis of the Russian Academy of Sciences' Institute of Bio-Chemistry and Physiology of Microorganisms and the Pushchino Agrocollege.

The job of the laboratory is to analyse food passing through the customs and supplied to private shops from individually-operated farms.

ROSSIYSKIYE VESTI comments on rumours about the possibility of an increase in the prices of bread in Russia:

"Elementary economic calculations show that one tonne of Canadian grain in St. Petersburg will be under any circumstances 100,000 roubles cheaper than Krasnodar-produced one.

"If the situation concerning the prime cost of nationally produced grain does not change and transportation tariffs continue to grow rapidly, loafs of imported bread will soon be on sale in commercial kiosks at prices that will be much more acceptable than those in a nearby bakery shop".

ROSSIYSKIYE VESTI interviewed Crimean Vice-Premier Yevgeniy Saburov who set out his vision of the Crimea's future.

Saburov visualises the Crimea "first of all, as part of Ukraine, with transparent borders and dual citizenship, after European standards, well-established social and cultural contacts with Russia. Private international capital. Recreation, an elite agriculture, transport arteries, airports, seaports. The Crimea as a bridge of friendship between East and West".

ROSSIYSKIYE VESTI runs an interview with Yuriy Tompakov, departmental chief at the Moscow prosecutor's office directorate for the supervision of investigation.

His opinion is that "it is increasingly probable that criminal outfits may take the path of terrorist acts against prominent businessmen, bankers, representatives of political parties and public organisations, civil servants, and deputies. Attempts on the life of members of personnel of law enforcement agencies cannot be ruled out either".

TRUD carries an interview with Russian Defence Minister Pavel Grachev who said: "We have to change the structure of the armed forces, their manning system, withdraw troops from abroad and accommodate them at home, constantly maintain their fighting efficiency at proper level and at the same time tackle a lot of legislative and social issues.

"We have brought back to Russia about 140 units at an aggregate strength of 280,000. All that is being done with more than modest funding. The shortage of funds results in lack of housing, poor accommodation, grievances and disappointments."

KRASNAYA ZVEZDA (RED STAR) reports that criminal groups in southern Russia try to counteract the Russian Interior Ministry Putina-94 anti-poaching operation in the Caspian. "This is why we have to use firearms when detaining poachers," Police Colonel Aleksandr Frolov, chief of the operation headquarters, told the newspaper.

Several tens of firearms, including submachine-guns, were withdrawn from criminal groups during the operation in the Caspian. Ammunition for bear hunting was also confiscated at poachers' bases that had been discovered.

RABOCHAYA TRIBUNA runs an interview with Major-General Nikolay Bezborodov, deputy chairman of the Russian State Duma committee on defence, who dwelt on Russo-Azerbaijani relations.

"The language of ultimata is not the best one, still less in a most complex situation. It is high time the ministers of defence and foreign affairs gave explanations to the deputies about a number of problems that have piled up".

PRC Studies Russian Proposal on Korean Conference

LD0606121894 Moscow ITAR-TASS in English 1204 GMT 6 Jun 94

[By ITAR-TASS correspondents Pavel Spirin and Vyacheslav Tomilin]

[Text] Beijing June 6 TASS—China intends to "seriously" study the Russian proposal on holding an international conference on the nuclear problem of the Korean peninsula, but believes it is better to solve it through talks between Pyongyang, the International Atomic Energy Agency, the USA and South Korea, according to a spokesman of the Chinese Foreign Ministry.

"We have taken into consideration the Russian-proposed idea", he told TASS on Monday, but added that, according to the Chinese Government, "the most efficient and practical variant of solving the problem is to hold bilateral consultations in three directions: North Korea - the IAEA, North Korea - the United States, and Pyongyang - Seoul".

Beijing is conducting an active dialogue with the North Korean leadership on its nuclear programme, according to sources close to diplomatic circles. It strives to preserve "special relations" between the two countries and at the same time to exert influence on its partner in order to settle the conflict without any sanctions.

It is noteworthy that last Saturday the North Korean ambassador in China has resolutely rejected the Russian idea about the international conference. The nuclear free status of the peninsula should be discussed only in a close circle - between North Korea and the United States.

However, the Hong Kong-based "TA KUNG PAO" newspaper is sure that China can join economic sanctions against Pyongyang. It believes Beijing can cease shipments of food and oil.

PRC Opposes Sanctions Against DPRK

LD0706105694 Moscow ITAR-TASS World Service in Russian 0953 GMT 7 Jun 94

[By ITAR-TASS diplomatic correspondent Andrey Kirillov]

[Text] Moscow, 7 Jun—China does not support the imposition of economic sanctions on the DPRK because this measure "can only lead to an escalation of tensions on the Korean peninsula." This was said today in an interview with the ITAR-TASS correspondent by Sui Tsin, minister-counsellor at the Chinese embassy in Moscow. He described reports in the Hong Kong press about the possibility of China joining the sanctions as untrustworthy.

China has limited influence on the DPRK, the diplomat added, and it depends on the Koreans themselves whether North Korea finally accepts the IAEA's demands concerning its nuclear program.

The Chinese diplomat spoke in favor of continuing negotiations and looking for compromises.

Scientist Opposes Sanctions Against DPRK, Urges Talks

LD0606145194 Moscow ITAR-TASS in English 1404 GMT 6 Jun 94

[By ITAR-TASS diplomatic correspondent Dmitriy Gorokhov]

[Text] Moscow June 6 TASS—All diplomatic instruments of the United Nations should be put to use to settle the situation in the Korean peninsula by political means and to keep from a rash resort to sanctions. This view was stated to ITAR-TASS on Monday by Professor Anatoliy Torkunov, one of leading Russian experts on Korea who heads the Moscow State Institute of International Relations.

Torkunov said demands of the international community to North Korea are fair. The International Atomic Energy Agency (IAEA) does not require of North Korea anything beyond what it expects from other countries. Russia fully shares this attitude to the nuclear problem which is the root-cause of the present Korean crisis. Russian approach was set out in detail during the negotiations Russian President Boris Yeltsin held with President of the Republic of Korea Kim Young-sam in Moscow the other day.

The Russian scientist warned against a rash recource to sanctions. Pyongyang got accustomed to relying on its own resources. Sanctions can only lead to the further spiral of ideological confrontation which, in the long run, will affect the position of ordinary Koreans. The further heightening of tension is fraught with unpredictable consequences as the Korean peninsula is inundated with arms in its both parts.

An international conference in the Korean peninsula suggested by Russia could be an effective way of easing the situation, Professor Torkunov believes. An ever greater interest is now shown in this idea as it essentially meets the interest of all the parties, including North Korea. The conference could put an end to the isolation of North Korea which has been increasing of late. South Korea has succeeded in establishing diplomatic relations with Russia, China and East european countries in the recent years. Meanwhile North Korea does not have diplomatic relations with the United States and others leading Western countries. If an international conference is held, Pyongyang could get real diplomatic levers to protect its own interests. North Korea should realise that the factor of menace to South Korea is no longer as important as it used to be. South Korea has a strong

army, and Seoul interacts in defence matters with the United States on a basis on a treaty.

All the parties concerned should use every method of persuasion. China has levers of influence too. Beijing has traditional ramified ties with Pyongyang. Tokyo has levers of influence as trade with Japan is important for North Korea as an outlet to the Western world.

Russia must be flexible on this matter, Torkunov said. Russia has a certain stretch of common border with North Korea, and power politics in relations with neighbours can hardly be expedient. This is why the Russian line is to coordinate diplomatic efforts with other countries. Possibilities of a political settlement have not been exhausted, Torkunov said.

Paper Cites Clinton on 'Unanimous' Stance on DPRK

PM0606152894 Moscow IZVESTIYA in Russian 7 Jun 94 p 3

[Vladimir Nadein report: "Russia, the United States, and China Unanimous in Demands on North Korea"]

[Text] President Bill Clinton has said that the United States, Russia, and China are unanimous in the opinion that the armament of North Korea with nuclear missiles must be prevented and can unite the whole world community around themselves in imposing economic sanctions on Pyongyang.

This opinion was voiced in an interview which the U.S. President gave to Tom Brokaw, a leading NBC TV commentator, on board a U.S. warship off the Normandy coast. Clinton defended his administration's foreign policy, claiming that it takes a long time to elaborate a long-term foreign policy because the world situation since the end of the Cold War is not black and white and is completely unparalleled.

"The main thing is that we have not gone away, we have become involved (in maintaining international peace)," the president said, speaking about the foreign policy strategy which will soon be presented to the public.

In Clinton's opinion, the DPRK has no grounds for considering an economic blockade an act of war and will not take actions against South Korea or Japan. In reply to Tom Brokaw's question on whether the administration's indecision over Bosnia and Haiti will not have the effect of toughening Pyongyang's position, Clinton said that he believes that this will not happen because North Korea "will get a very clear signal" from the group of states interested in observing the principles of the nonproliferation of nuclear weapons.

Clinton Seen Risking Triggering 'Catastrophic' Korean War

PM0606185194 Moscow KOMSOMOLSKAYA PRAVDA in Russian 7 Jun 94 p 7

[Sergey Postanogov report: "Tension on the Peninsula White Hot"]

[Text] While ROK President Kim Yong-sam was receiving the diploma and medal of honorary doctor of Moscow State University in Moscow, ministry leaders in Seoul were preparing for action in the emergency situation connected with the expected declaration of international sanctions against the DPRK.

The conflict flared up over Pyongyang's reluctance to renounce its nuclear ambitions and to satisfy the requirements of the International Atomic Energy Agency [IAEA] concerning inspection of a reactor producing plutonium suitable for the production of nuclear weapons. The U S. Administration is holding intensive consultations with other states on this problem. "We are taking a firm line," Bill Clinton stated yesterday. "We are going to the UN Security Council with a draft resolution on sanctions."

In response to these statements the DPRK leadership has warned that any sanctions will be viewed as a "declaration of war." This is what has forced its southern neighbor to take "all measures necessary to give an immediate and decisive rebuff in the event of any agression from the North." Incidentally, U.S. Defense Secretary William Perry has stated that, if necessary, the United States would be prepared to strengthen the contingent of 38,000 troops already in South Korea.

The situation on the Korean peninsula has reached fever pitch. The United States, it would appear, is attempting to put together a coalition against the DPRK similar to the one that George Bush organized during the Gulf War. However, it is extremely doubtful that Clinton will manage to form a similar "alliance," and he would risk triggering a second Korean war, whose consequences would be catastrophic.

Moscow's stance in the current situation was spelled out in the proposal put forward by Russian Federation President Boris Yeltsin's suggestion that an international conference be called to search for mutually acceptable solutions to this conflict.

Further Reportage on ROK President's Visit

Meets Russian, Korean Businessmen

LD0306211394 Moscow ITAR-TASS in English 2010 GMT 3 Jun 94

[By ITAR-TASS diplomatic correspondent Nikolay Geronin]

[Text] Moscow June 3 TASS—A meeting of South Korean President Kim Yong-sam with Russian and

South Korean businessmen was held today at Moscow's Metropol Hotel to discuss ways to upgrade bilateral economic relations.

The meeting was attended by First Russian Vice-Premier Oleg Soskovets and vice-premier, Minister of Economy Aleksandr Shokhin, President of the Russian Union of Industrialists and Entrepreneurs Arkadiy Volskiy and President of the South Korean Daewoo concern Kim Woo Jung.

The South Korean president made a brief speech to urge a boost to bilateral economic cooperation.

The head of the Daewoo concern told ITAR-TASS that bilateral economic cooperation is promising. At the same time, there are certain obstacles on the way of more active South Korean businesses in Russia, including the absence of a clear legal basis for activities of foreign companies in Russia.

The imperfect Russian legislation slows down the participation of foreign firms in development of Russian economy, President of the Russian Union of Industrialists and Entrepreneurs Volskiy told ITAR- TASS.

Other Commonwealth republics have adopted laws on protection of foreign investments from political risks and guarantees of the right to export revenues. That is why, some foreign companies leave Russia for Uzbekistan and Kazakhstan. For instance, the Daewoo concern has started to build a car plant in the Uzbek city of Namangan with an overall production capacity of 200,000 cars and vans a year.

At the same time, there are possibilities to boost Russian-South Korean economic relations, said Volskiy. There are plenty of South Korean proposals to participate in corporatization of Russian plants. A gas pipeline from Yakutia to South Korea is being discussed. The Daewoo concern and the St. Petersburg Pozitron plant have signed an agreement on production of video cassette players.

Meets Foreign Intelligence Service Head

LD0406190094 Moscow ITAR-TASS World Service in Russian 1157 GMT 4 Jun 94

[By ITAR-TASS correspondent Olga Semenova]

[Summary] Moscow, 4 Jun—At the end of his official visit to Russia, Republic of Korea President Kim Yongsam had a meeting this morning with Yevgeniy Primakov, head of the Russian Foreign Intelligence Service (FIS). The ITAR-TASS correspondent learned from reliable sources that they met one-to-one. Yuriy Kobaladze, head of the FIS press service, declined to reveal any details of the meeting.

A top-ranking FIS official told the ITAR-TASS correspondent that one should not look for any hidden agenda in the meeting. Primakov and Kim first met in 1989, when the former was the head of the foreign relations institute and the latter the head of an opposition party. They have been on good terms ever since, and have often discussed bilateral and international issues of mutual interest, including nonproliferation of nuclear weapons.

Meets ITAR-TASS General Director

LD0406134194 Moscow ITAR-TASS in English 1326 GMT 4 Jun 94

[By ITAR-TASS correspondent]

[Text] Moscow June 4 TASS—South Korean President Kim Young- sam has received ITAR-TASS General Director Vitaliy Ignatenko for an unofficial meeting to discuss aspects of and prospects for Russian- South Korean interaction in information, publishing and humanitarian spheres.

When heading the NOVOYE VREMYA journal, Vitaliy Ignatenko was a first Russian correspondent to keep contact with South Korean opposition leader Kim Young-sam and used the journal to call for the establishment of Russian-South Korean diplomatic relations.

ITAR-TASS sent its correspondent to Seoul before the official Russian recognition of South Korea, and he is still the only Russian newsman in South Korea, a most dynamically developing state of the Asia-Pacific region.

Issues Warning to Pyongyang

LD0606142694 Moscow ITAR-TASS World Service in Russian 1334 GMT 6 Jun 94

[Text] Tashkent, 6 Jun (ITAR-TASS)—Kim Yong-sam, president of the Republic of Korea, issued a warning to the DPRK today over the North Korean nuclear problem. Speaking to journalists in Tashkent, he said: "I warn North Korea that any attempt to launch a reckless adventure will lead to its self-destruction."

Kim Yong-sam announced that after his return from his foreign tour on Wednesday, the South Korean cabinet will meet on 8 June in Seoul to discuss problems of national security.

The South Korean president is currently on an official visit to Uzbekistan. On Tuesday he will visit Khabarovsk and Vladivostok. He will then leave Russia for South Korea.

Holds Talks in Khabarovsk

LD0706030894 Moscow ITAR-TASS World Service in Russian 2353 GMT 6 Jun 94

[By ITAR-TASS correspondent]

[Text] Khabarovsk, 7 Jun—Today, on his way back to his motherland, Republic of Korea President Kim Yongsam made a short stop in Khabarovsk. An honor guard was formed at the airport. At the steps to the "Boeing 747", the high-ranking guest was met by Viktor Ishayev, head of the Khabarovsk Kray administration, and other

officials. A half-hour conversation took place between the kray's governor and the president of South Korea. Viktor Ishayev reported that an exchange of opinions had taken place on a number of problems relating to mutual relations between the Republic of Korea and the Far Eastern region. In particular, the issue of setting up a free economic zone and ways of further activating economic cooperation were examined. More than 30 joint Russian-Korean enterprises are currently operating in the kray, the leading South Korean firms "Samsung", "Goldstar", and others are represented. The president of South Korea guaranteed assistance in implementing a large-scale project to produce buses in the Amur region with the participation of the Korean side.

After an hour-long stay in Khabarovsk, the president of South Korea left by air for Vladivostok.

Visits Vladivostok

LD0706061894 Moscow ITAR-TASS World Service in Russian 0425 GMT 7 Jun 94

[By ITAR-TASS correspondent]

[Text] Vladivostok, 7 Jun—Completing an official visit to Russia, Republic of Korea President Kim Yong-sam arrived in Vladivostok today in transit.

Yevgeniy Nazdratenko, head of the Maritime Territory administration, held a ceremonial reception on the occasion. "Of all the regions of Russia, the Far East has one very important advantage: Geographically, it is part of the Asian Pacific region," the governor stressed in his speech at the ceremonial reception. "The enormous natural wealth of the territory, combined with the lengthy experience of development in market economy conditions accumulated by South Korea, create a favorable medium for the implementation of mutually beneficial projects."

In a reply speech, the Korean president noted that, "on the threshold of 'the Pacific era', the Maritime Territory is becoming a genuine center of Korean-Russian cooperation. Effective joint activity is already under way—first and foremost in the field of fishing. Cooperation is being developed in other spheres as well. In particular, the Nakhodka industrial and technical park is being set up for Korean enterprises. A sea route linking Pusan and the Maritime Territory has been opened. Regular flights will start between Vladivostok and Seoul this year."

"Thus," Kim Yong-sam also noted, "it will be possible to fly from the Republic of Korea to Russia in just two hours, and this means that we will become closer neighbors."

In the afternoon, the president of South Korea and the officials accompanying him will visit the headquarters and one of the ships of the Pacific Fleet.

Praises Russian Sailors

LD0706073694 Moscow ITAR-TASS in English 0656 GMT 7 Jun 94

[By ITAR-TASS correspondent Yuriy Grachev]

[Text] Vladivostok June 7 TASS—South Korean President Kim Yong-sam, who arrived in the Russian Far East, visited the big submarine chaser "Admiral Vinogradov" of the Russian Pacific Fleet on Tuesday and presented the navymen with three video recorders which, according to the fleet command, will be distributed among the best crews.

Kim was shown the command post of the battleship and firing strongholds. "The ship is in proper order, the navymen have a fine stature and good appearance", he told TASS.

Ends Visit to Vladivostok

LD0706075194 Moscow ITAR-TASS World Service in Russian 0654 GMT 7 Jun 94

[By ITAR-TASS correspondent Yevgeniya Lents]

[Text] Vladivostok, 7 Jun—Republic of Korea President Kim Yong-sam has ended his visit to Russia. Today he flew from Vladivostok to Khabarovsk, from where he will set off back home.

During his stay in Maritime Kray, which has a large Korean diaspora, Kim Yong-sam met with the Maritime Kray administration and visited a Pacific Fleet vessel.

Seoul, Moscow Agree on Closer Technology Cooperation

SK0306131294 Seoul YONHAP in English 1219 GMT 3 Jun 94

[Text] Moscow, June 3 (YONHAP)—South Korea and Russia on Friday [3 June] afternoon agreed to expedite the transfer of Russia's high-tech expertise to South Korea in the areas of aeronautical materials, airplane engine and energy.

At the fourth joint Korea-Russia science and technology committee meeting, the two countries decided to establish research centers of the three areas in Moscow with the participation of research institutes and industries of the two countries.

South Korea was represented at the meeting by Science and Technology Minister Kim Si-chung who was accompanying President Kim Yong-sam to the Moscow visit, and Russia by Science and Technology Policy Minister Boris Saltykov.

The joint institutes the two ministers agreed on are a Korea-Russia aeronautical materials research center, a Korea-Russia airplane engine research center and a Korea-Russia energy research center.

The idea of the two ministers is that the two countries jointly develop new technology in Moscow through these research centers and that Russia would accelerate the transfer of high-tech expertise it possesses to South Korea.

Moscow To Supply More Low-Enriched Uranium To ROK

LD0306193294 Moscow INTERFAX in English 1810 GMT 3 Jun 94

[Text] Russia is prepared to increase supplies of low-enriched uranium to South Korea from the present 40 tonnes to 100 tonnes per year, Russian First Vice-Premier Oleg Soskovets said at a meeting with that country's Minister for Trade, Industry and Energy Kim Chol-Su in Moscow Friday.

To quote Soskovets, Russia was ready to increase coal supplies to South Korea from 400,000 to 1.5-2 million tonnes. Moscow, he said, was willing to form a joint venture with South Korea in the Neryungri coal field in Yakutia and grant the Korean side the right of ownership of a section of that deposit.

Soskovets said South Korea was making "only negligible" investments in Russian industry (a mere 27 million US dollars last year).

Soskovets stressed that Russia was a dependable partner and Korean private companies which invested in Russian industry would receive dividends.

Japan Rejects Proposal for Conference on Korea

LD0706063794 Moscow ITAR-TASS World Service in Russian 0504 GMT 7 Jun 94

[By ITAR-TASS correspondent Vasiliy Golovnin]

[Text] Tokyo, 7 Jun—An executive staff member of the Japanese Ministry of Foreign Affairs told an ITAR-TASS correspondent today that Tokyo does not think that it makes any sense in the current situation to seriously study Russia's proposal on holding an international conference on the Korean peninsula with the participation of the two Korean states, China, the Russian Federation, the United States, Japan, the United Nations, and the International Atomic Energy Agency.

He noted that Tokyo now intends to achieve a solution to the problem of Pyongyang's nuclear program primarily on the basis of close consultations with the United States and South Korea. The Government of Japan, the member of the Foreign Ministry staff stated, also places hope in the upcoming session of the UN Security Council relating to this issue. On Monday, Tokyo officially announced that it is prepared to join in the sanctions against the Korean People's Democratic Republic, within the framework of its Constitution, if the United Nations agrees to this measure.

Earlier, Pyongyang itself did, in fact, reject Moscow's proposal that an international conference should be held to settle the tension on the peninsula, having confirmed its intention to discuss with the United States alone the issue of its nuclear program and the possible complete withdrawal from the system of the treaty on the nonproliferation of nuclear weapons.

To all appearances, Washington is also taking a passive attitude toward Russia's initiative, although President Bill Clinton has also stated that it would possibly make sense to implement it if events were to develop in a certain way.

Sea Border With Japan 'Particularly Strained This Month'

LD0706085894 Moscow ITAR-TASS in English 0836 GMT 7 Jun 94

[By ITAR-TASS correspondent Yevgeniy Belovitskiy]

[Text] Yuzhno-Sakhalinsk June 7 TASS—Japanese fishermen again violated the Russian sea border in the South Kurils zone on Tuesday morning. A Japanese fishing craft, sailing from Hokkaido, entered the Russian territorial waters near the island of Kunashir. A Russian patrol boat rushed to intercept it in spite of the heavy mist. The Japanese vessel was able to escape from the Russian territorial waters and no warning shots were fired as it happened on the night of June 3-4 when another Japanese boat intruded into the Russian territorial waters in the Kunashir Strait.

The situation on the Russo-Japanese border in the south Kurils zone grew particularly strained this month. Poachers, who had made a living for many long years by unlawfully fishing within the Russian economic zone and in Russian territorial waters, became particularly active since the beginning of this summer fishing season. It is believed that most of the poachers can hardly be expected to switch over to much safer legal sources of income. However, Tokyo has bluntly rejected the proposal made by Nikolay Pokidin, mayor of the south Kurils district, to legalise the "raids" of fishermen from the neighbouring Japanese island into the south Kurils zone by concluding regional agreements.

Russian borderguards believe that the coming summer will be particularly tense. Chief of the south Kurils borderguard detachment Lieutenant-Colonel Oleg Petrov told ITAR-TASS that some violators had been most impudent, as, for instance, on the night of June 3-4. As a matter of fact, the legal norms now in force allowed the Russian borderguards in that case to open effective fire. Petrov noted that the Kurils borderguards had always behaved and would go on behaving in strict accordance with the federal law on the state border of the Russian Federation, but their humaneness will not be endless.

Local analysts do not rule out the possibility of additional forces being moved to the south Kurils area if the

situation grew worse, particularly from the fleet of the "Putina-94" operation, a large-scale action to protect the biological resources of the Russian Far Eastern seas, which began on April 20.

Trade, Economic Talks With Japan Conclude

LD0306141194 Moscow ITAR-TASS in English 1336 GMT 3 Jun 94

[By BUSINESS-TASS]

[Text] Moscow June 3 TASS—The Russian-Japanese goods turnover will be preserved or even increased in 1994, concluded Russian-Japanese consultations on trade and economy that closed late on Thursday night.

The meeting analyzed the state of and prospects for bilateral cooperation in several projects, including those in the oil, gas and timber industries, and discussed the fulfillment of the bilateral agreement on goods turnover and payments for 1991-1995 and prospects for 1994.

The experts are satisfied with the increased bilateral goods turnover in 1993, which reached some 2.4 billion U.S. dollars and increased by 3.8 per cent as compared to 1992.

Fish and seafood amounted to 31 per cent of the Russian exports to Japan, timber—20 per cent and coal—12 per cent. Machinery and equipment amounted to 52 per cent of the Russian imports.

The Russian delegation to negotiations was headed by First Deputy Russian Minister for Foreign Economic Relations M. Fradkov, and the Japanese by Deputy Foreign Minister S. Hayashi.

The sides agreed on annual bilateral consultations on trade and economy.

Soskovets Arrives To Sign Malaysia MiG Sales Deal

LD0606143294 Moscow ITAR-TASS in English 1357 GMT 6 Jun 94

[By ITAR-TASS correspondents Stanislav Bychkov and Oleg Velichko]

[Text] Kuala Lumpur June 6 TASS—Russian First Vice-Prime Minister Oleg Soskovets arrived here today at the head of a Russian parliamentary delegation on a two-day visit. The chief event of the visit will be the signing of a contract under which Russia will supply "MiG-29" fighter aircraft to Malaysia.

The signing ceremony for the contract is scheduled to be held on Tuesday. Oleg Soskovets will also meet with Malaysian Prime Minister Mahathir Mohamad and Deputy Prime Minister Anwar Ibrahim on Tuesday.

Acting Foreign Minister Abu Hassan Omar, who received the Russian delegation at the airport, told ITAR-TASS in an interview that the Malaysian side sees the contract as one link in a chain of broader cooperation with Russia in different spheres, including the military one. According to the minister, the "MiG" contract will act as a catalyst in the development of Malaysian-Russian-business ties.

Stanislav Filin, deputy director-general of the state-owned arms and military equipment export-import company "Rosvooruzheniye", told ITAR-TASS that the work on the contract had taken two years. The deal is worth 550 million U.S. dollars. The first "MiG" will be delivered in April, 1995. The full consignment of 18 aircraft will be shipped to Malaysia within 11 months. In collaboration with Malaysia, Russia is expected to set up a technical centre for servicing the planes. The contract also provides for training Malaysian pilots in Russia. According to the contract, 25 per cent of the planes' cost will be paid with supplies of palm oil with the right of export to third countries.

Meeting Malaysia's wishes halfway, the Russian side has made changes in the fighters' instrument system. In particular, a navigation apparatus working on frequencies used in south-east Asia will be installed in the aircraft.

Malaysia, India in MiG Purchase, Modernization Deals

PM0706093294 Moscow ROSSIYSKIYE VESTI in Russian 7 Jun 94 p 1

[Yuriy Nikolayev report: "MiG's Not Sold Instantly. It Took Us Over Two Years To Break Into Southeast Asian Arms Market"]

[Text] Malaysia could become the first Southeast Asian country to use Russian fighters. Namely, our MiG-29's. The negotiations with Malaysia regarding their purchase have been long-drawn-out—more than two years—and quite complex. The reform of the military-industrial complex, conversion, and the complex political events in the Russian Federation have had an impact. Speaking more bluntly, Russia was not seen as a reliable partner by businessmen in foreign countries. Judge for yourselves—no sooner had Malaysia evinced a desire to buy aircraft than 50 Russian firms, state institutions, and even citizens started vying with each other to offer their services!

Moreover, a deal was concluded not only on aircraft, it was part of a large overall program of trade and economic ties and military-technical cooperation—along with the delivery of military equipment it is planned to create a technical servicing center and a joint venture to manufacture spares and components, to transfer technology in the aircraft construction and other sectors, and to train Malaysian pilots. In the future this package of agreements will allow Malaysia to create its own aviation industry and, on the whole, it forms the basis for long-term cooperation between our countries.

The deal was also based on details such as Malaysia's desire to partly pay for the military equipment in palm oil. In short, Moscow considered the deal profitable, with Malaysia considering us a "partner to be trusted," and a delegation headed by Vice Premier Oleg Soskovets set off for Kuala Lumpur. According to certain information, the contract is valued at around $600 million.

According to evidence from Malaysian representatives ("Rosvooruzheniye" refused to quote any specific figures on the pretext of secrecy), 18 MiG-29's will be bought for use by Malaysia with its Air Force.

To this can be added the fact that India has finally decided to modernize the MiG-29 with Russian help. That, at least, was what M. Mallikarjun, minister of state for defense, stated. According to him, fitting this aircraft with state-of-the-art equipment will allow it once again to perform as a modern front-line fighter. Specialists believe that the aircraft's total combat potential will be increased more than sevenfold. Twenty-one aircraft will be modernized. The contract will be worth around $350 million. The Mikoyan Design Bureau won the refit tender against fierce competition from Western and Israeli firms.

Our producers are not entering the difficult world arms market for fun. Arms exports fell from $22.6 billion in 1987 to $2 billion in 1993. According to forecasts from our experts, the figure should reach $3.4 billion this year.

Yarov Arrives in India, Talks with Commerce Minister

LD0306172694 Moscow ITAR-TASS in English 1648 GMT 3 Jun 94

[By ITAR-TASS correspondent Leonid Kotov]

[Text] New Delhi June 3 TASS—Russian Deputy Prime Minister Yuriy Yarov arrived here today at the head of a delegation. His visit is aimed at preparing documents to be signed during Indian Prime Minister P.V. Narasimha Rao's official visit to Russia towards the end of June, and activization the work of the joint Russian- Indian trade, economic, scientific and technical cooperation commission. In his capacity as chairman of the Russian part of the commission, Yarov will hold working meetings with its co-chairman from the Indian side, Commerce Minister Pranab Mukherjee and talks with other members of the government of India.

"India is among those few states, relations with which have never undergone any cardinal changes and are not subject to any reassessment as a result of serious political and economic changes that took place in our country," Yuriy Yarov said in an interview with ITAR-TASS after his arrival in Delhi. "India has always been given top priority in Russia's foreign policy, which was emphasised by President Boris Yeltsin in his address to members of Indian Parliament during his visit to Delhi," he emphasised.

Yuriy Yarov had a working meeting with Indian Commerce Minister Pranab Mukherjee in the Hyderabad House in Delhi today.

In his opening speech, the Indian commerce minister emphasised that Russian President Boris Yeltsin's visit to India in January, 1993 was an important stage in the history of Russian-Indian relations. The visit helped resolve many important questions, including the payment of India's debt to Russia, and helped determine the further path of our cooperation in economic, trade and scientific spheres. Mukherjee expressed the hope that new avenues of cooperation between Russia and India will be opened in trade, economic and scientific spheres during Indian Prime Minister P.V. Narasimha Rao's forthcoming visit to Moscow, and as a result of his talks with Russian leaders.

The chairman of the joint Russian-Indian commission, in particular, highly appreciated fruitful and mutually beneficial cooperation between Russia and India which is now embracing all spheres of economic activities. But due to a number of reasons the trade between Russia and India slumped, leading to a significant fall in turnover over the past few years, he said.

Mukherjee expressed confidence that Russian-Indian trade will soon be doubled from its current level of 25 billion rupees, and cooperation between the two countries will considerably increase thanks to economic reforms being carried out in Russia and India. The Indian minister recalled that an important role has to be played by representativies of Russian and Indian private sectors. Their activities will not only help considerably increase exports from India to Russia to clear India's debt to Russia, but will also help set up joint enterprises for selling goods to third countries.

The two co-chairmen discussed specific questions about expanding trade, activizing economic cooperation and using new forms of cooperation between business circles of the two countries. Both sides paid special attention to resolve the problem of avoiding double taxation in their bilateral trade, the question of increasing supplies of goods from India to clear its debt to Russia, the introduction of concessional import duty on Indian goods and setting up a Russian-Indian bank.

Today Yuriy Yarov also held talks with Indian Finance Minister Manmohan Singh and Minister of State for Steel Santosh Mohan Dev.

The Russian delegation will fly to Bangalore on Saturday to acquaint itself with the work of Indian aeronautics and space industry enterprises. Their programme also includes a visit to Bombay, the "trade capital of India", where Yuriy Yarov and officials accompanying him will see shipyards, and also be guests of scientists of the Bhabha atomic research centre.

PRC Air Force Delegation Shows Interest in MIG-29

LD0606170894 Moscow INTERFAX in English 1312 GMT 6 Jun 94

[Text] Commander of the Chinese Air Force Cao Shuangming, who arrived in Russia for an official visit, flew out to Sochi on Monday for a two-day stay in the military sanatorium of Chemitokvadzhe, located in the village of Lazarevskoye.

According to military sources, the Chinese delegation,led by Cao Shuangming, showed great interest in MIG-29 fighters. At the end of last week, the Chinese representatives could see Russian MIG and SU-27 fighters and SU-25 assault planes in the Kubinka air field not far from Moscow.

Upon his return from Sochi on June 8, the Chinese military official is planning to visit the Sukhoi design bureau, the Gagarin military aviation academy and the military aviation school in Volgograd. A visit to St.Petersburg is also on the program of his 10-day visit.

Cao Shuangming arrived in Moscow on June 2 on the invitation of the Russian air force command.

Economic Ties With PRC Discussed in Beidaihe

LD0606110294 Moscow ITAR-TASS in English 1024 GMT 6 Jun 94

[By ITAR-TASS special correspondent Grigoriy Arslanov]

[Text] Beidaihe June 6 TASS— Qingquandao is China's second largest port which is the world's number one in hauling energy resources. It provides a convenient bridge linking Russia's Far East with China's north-eastern and northern regions.

"We are interested in the development of trade, economic, scientific and technical ties with our Russian partners. Prospects are particularly good in the sphere of shipping and ship repairs," Qingquandao Mayor Cheng Lailee said in an exclusive interview with ITAR-TASS. The mayor is taking part in the work of the first Sino-Russian seminar-cum-fair in the resort Beidaihe on the coast of the Yellow Sea, three hundred kilometres from Beijing.

The seminar discusses everything that is of interest to Russia and Chinese merchants, aviation and metallurgy, car-building and mining, grain and vegetable oil, processing of raw materials, the chemical, light and textile industries.

The seminar-cum-fair was organised by the Russian-Chinese joint company Liangfa and the Russian LML Ltd.

The venue for the event was chosen to contribute to the success of the gathering. In the past Mao Zedong, Zhou Enlai and other Chinese leaders used this retreat to hold conferences on home and foreign policy and escape the heatwave in Beijing. Patriarch of Chinese economic reforms Deng Xiaoping, chairman Jiang Zemin and Premier Li Peng also favour the place.

Incidentally, it was here that the great helmsman said after a regular swim in the sea that "one should never forget about the class struggle," the phrase which provided the theoretical basis for the subsequent cultural revolution.

Times have changed and there is nothing to remind people of the class struggle or its proponent Mao Zedong apart from his full- colour portraits displayed behind the windscreens of trucks, just as Stalin's portraits used to be displayed in Soviet Union. China now values those who can make money.

"Actual links between Qingquandao, which is pursuing a favourable trade, economic and investment policy, with Russia are just taking shape," Cheng Lailee said. The first Chinese-Russian joint venture has already been set up in the city. Qingquandao is a link between the outside world and China's Bohai economic region, which has long since maintained a favourable base for the development of mutually beneficial business links between China and Russia, which were discussed during the recent talks between the heads of the two governments Viktor Chernomyrdin and Li Peng.

The main objective of the seminar-cum-fair is to combine the efforts of businessmen from the two countries. The next such meeting "Beijing-Moscow: New Horizons" will be held in Hotel Cosmos in the Russian capital in August.

"The idea of regular practice-oriented seminars and fairs for representatives of the business communities of Russia and China originated when everybody understood that the immense potential of trade and economic relations of the Russian Federation and China remains largely untapped," said general director of the Lianfa Company Petr Gvaskov. "it could not be fully used for lack of sufficient information about new forms of cooperation, benefits available in China, forms of payment and their organisation in yuan," Gvaskov said.

For the first time in bilateral trade and economic practice the Chinese and Russian participants are provided with information on taxation procedures in China and Russia, visas and customs rules. In addition, Lianfa has published a collection of relevant official regulatory enactments of the Russian Federation.

The event has proved its commercial worth: on the first day of its work a contract worth 29 million dollars was signed for the lease of five Russian Tu-154M's for use by airlines in the provinces of Sichuan and Yunnan.

Beidaihe attracts Chinese and foreign tourists and business people not only by its wonderful beaches, cottages, greenery and Chinese cuisine but also by its medical facilities, including the centre of Xiguno-therapy, whose

specialists cure diseases without medicines. The first villas were built here a hundred years ago under the Qin dynasty. By 1949 twenty foreign countries had built their summer houses in Beidaihe.

Beidaihe offers a wonderful chance of combining recreation and business to residents of the Urals, Siberia and the Far East, fishermen, gold miners and oilmen. The opening of a new airline linking Russia to the city of Shanghaiguan, which is located next to Beidaihe, will make such trips quite feasible very soon.

Trade With Heilongjiang 'Dropped Drastically'

LD0706092094 Moscow ITAR-TASS in English 0910 GMT 7 Jun 94

[By ITAR-TASS correspondent Pavel Spirin]

[Text] Beijing June 7 TASS—Russia's main trade partner in China—the province of Heilongjiang—is reconsidering its foreign economic priorities and planning to switch over from Russia to the rapidly developing countries of Southeast Asia.

According to Heilongjiang Vice-Governor Wang Zhongzhang, quoted by the "HONGKONG CHINA NEWS AGENCY", the province is bound to revise its foreign economic strategy shortly with due account of "the new situation in the region".

The heavy industry of this northeastern province, which borders on the Russian Far East and the Russian maritime territory, was built up with Soviet assistance in the fifties. It now accounts for an important share of the country's heavy industry. This is why the province was traditionally linked by close economic ties with its northern neighbour. However, trade between Heilongjiang and Russia had dropped drastically in the first quarter of this year—by almost 45 per cent. This is partially due to Moscow's decision to impose visa restrictions on the entry of Chinese into the Russian Federation and also due to the growth of customs duties.

Since Russia is short of convertible money, needed to trade with China, Wang Zhongzhang said, Beijing has already taken measures to limit the import of Russian raw materials and semifinished goods, for instance, steel rolled stock.

As to Heilongjiang firms, which are in great straits due to the state sector's growing debt, they were recommended to seek "new external sources of financial revenues", primarily in Southeast Asian countries, where local Chinese businessmen have much weight.

The volume of Russo-Chinese trade amounted to approximately 6.7 billion U.S. dollars in 1993 and Heilongjiang Province accounted for its lion's share.

It is not without reason that Moscow had always praised this Chinese province. Three of its high-ranking officials were decorated in 1992 with Russian "people's friendship" orders for their "large contribution to the development of Russo-Chinese friendship".

UN Peacekeeper Seriously Wounded in Sarajevo

LD0706015094 Moscow ITAR-TASS World Service in Russian 0055 GMT 7 Jun 94

[By ITAR-TASS correspondent Boris Sitnikov]

[Text] UN, 7 Jun—A Russian serviceman who is a member of the UN Protection Forces has been seriously wounded in Sarajevo. This was reported here on Monday by Fred Ekhard, official representative of the UN secretary general.

"The Russian soldier was seriously wounded by sniper fire in Sarajevo on Sunday. Thus, the total number of casualties among the staff of the UN Protection Forces is 1,014 wounded and 90 killed. Only a small part of these casualties have been caused by the Bosnian Serbs," Ekhard noted.

Churkin Returns from Geneva; Nikiforov Stands In

LD0606132894 Belgrade TANJUG in English 1258 GMT 6 Jun 94

[Text] Moscow, June 6 (TANJUG)—Russian Deputy Foreign Minister Vitaliy Churkin returned to Moscow from Geneva on Monday.

Standing in for him at talks on peace for Bosnia on Monday will be ranking Foreign Ministry official Aleksey Nikiforov.

Nikiforov is Russia's representative to the international 'contact group' for Bosnia, which comprises also the United States and the European Union.

The 'contact group' insists that Bosnia's warring Moslems, Serbs and Croats end hostilities and seek solutions to their dispute through talks, which should pave the way for dividing Bosnia by giving 51 per cent of the territory to the Moslems and Croats for their federation and 49 per cent to the Serbs.

The 'contact group' was due to meet with representatives of Bosnia's belligerents last weekend, but the meeting was not held.

Churkin was originally scheduled to brief the press at the Foreign Ministry in Moscow on Monday, but the briefing has been cancelled.

It is not certain when Churkin may meet the press because of a busy schedule, TANJUG learns at the Russian Foreign Ministry.

Kozyrev, Cypriot Foreign Minister Held Talks in Moscow

LD0606141294 Moscow ITAR-TASS in English 1320 GMT 6 Jun 94

[By ITAR-TASS diplomatic correspondent Yuriy Tyssovskiy]

[Text] Moscow June 6 TASS—Relations between Cyprus and Russia were described as spiritual, as rooted in history, by Russian Foreign Minister Andrey Kozyrev and head of the Foreign Ministry of the Republic of Cyprus Alexandros Mikhailidhis at a news conference in Moscow on Monday following the negotiations between the two delegations. The foreign ministers pointed out the warmth of relations between the two countries. Mikhailidhis is on an official visit in Russia.

Kozyrev pointed out the importance of contacts with representatives of Cyprus, a Mediterranean country, where Russia has "economic and political interests". Russia is interested in an earlier settlement of the Cyprus problem on a basis of the United Nations resolutions with taking into account territorial integrity and sovereignty of Cyprus, Kozyrev said. He said that new approaches to the situation in Cyprus and in the region, especially after the recent report on Cyprus by U.N. Secretary-General Butrus Butrus-Ghali had been discussed during the negotiations. "We have coordinated plans for further steps with taking into account the role of Russia, permanent member of the U.N. Security Council", the Russian ministry said. There was also exchange of opinions on interaction of the two states in the framework of the Conference on Security and Cooperation in Europe and the United Nations where the stances of the parties coincide. Kozyrev noted that the visit by the Cyprus foreign minister will promote further development of economic, tourist and other ties which will help speed up the working out of an agreement of visa-free visits by citizens of the two countries.

In his turn Mikhailidhis pointed to an important stage of the settlement of the Cyprus problem that resulted from the occupation of the northern part of the insular state over 20 years [ago]. He described the report by Butrus-Ghali as a manifestation of concern of the world community over the lack of progress in the Cyprus settlement because of the lack of political will of the Turkish side. He said the document is of huge importance for Cyprus as the 35-thousand strong Turkish military corps with heavy arms is still in the north of the island and 90 thousand Turkish settlers live there, which interferes with the demographic structure of the Cyprus population. "This is the essence of the Cyprus problem", he said.

"The dialogue with Russia will continue", Mikhailidhis said. "We rely on friendship with Russia, noting specifically Russia's important role as permanent member of the United Nations Security Council and the experience of Russian diplomats in the Cyprus problem. Cyprus strives for closer cooperation with Russia in every area, also through CSCE, the United Nations and soon, I believe, in the Council of Europe", Mikhailidhis said.

The ministers signed a protocol on mutual consultations between the foreign ministries of the two countries. The Cyprus minister meets on Monday with leaders of the State Duma and with Patriarch Aleksiy the Second of Moscow and All Russia.

Kozyrev, Mikhailidhis on Talks

NC0606160394 Nicosia Cyprus Broadcasting Corporation Radio Network in Greek 1500 GMT 6 Jun 94

[Text] Russian Foreign Minister Andrey Kozyrev said that his country is coordinating its efforts with the Cyprus Government on possible new approaches in finding a solution to the Cyprus problem. Speaking after a meeting in Moscow with Foreign Minister Alekos Mikhailidhis, Kozyrev also said that the Russian Government wants a solution to be found for the Cyprus problem as soon as possible, based on UN decisions on the safeguarding of the Cyprus Republic's territorial integrity and unity. Kozyrev added that he has discussed with Mikhailidhis the possibility of new approaches to the Cyprus issue. In just a few words, he said, we coordinated our watches on how we should continue working on the issue by keeping in mind that Russia is a permanent member of the UN Security Council.

Foreign Minister Mikhailidhis said that the discussion he had with Kozyrev centered on the next steps that will follow on the Cyprus issue, after the UN secretary general's report to the Security Council.

Mikhailidhis continued his contacts and this afternoon met with the Russian Parliament President Ivan Rybkin. Later today, he will be received by Patriarch Aleksey.

Paris Club Agrees To Defer Debt Repayments

LD0406114794 Moscow ITAR-TASS World Service in Russian 0958 GMT 4 Jun 94

[By ITAR-TASS correspondent Nikita Yermakov]

[Text] Paris, 4 Jun—An agreement on deferring seven billion dollars of Russia's foreign debt repayments this year was reached here today with representatives of the Paris Club which unites 19 creditor states.

Russia's total foreign debt, inherited from the former Soviet Union, is approximately 80 billion dollars. Forty-five billion of this is owed to states belonging to the Paris Club.

Yeltsin on Representatives in Normandy

LD0606170694 Moscow INTERFAX in English 1544 GMT 6 Jun 94

[Text] Russian President Boris Yeltsin does not share the opinion that the absence of Russian representatives at the celebration of the fiftieth anniversary of the allied

landing in Normandy proves that the West still did not trust Russia. Yeltsin said this today after he had bought a book by well known Russian poet Alexander Pushkin in a bookshop in Tverskaya Street (to mark the 195th anniversary of Pushkin's birth).

Yeltsin repeated that on June 6 the celebrations in Normandy had just begun and each town in Normandy would celebrate the day of its own liberation from fascists. Yeltsin announced that the Russian delegation had been invited to one of the Normandy towns on June 28-29.

Yeltsin underlined that established tradition was also of importance. "When we were celebrating the fiftieth anniversary of the battles around Moscow and Stalingrad, etc., we did not invite any of our allies either. However, this does not stop us from being partners in all spheres, from trusting each other, respecting each other and resolving together international problems," Yeltsin emphasized.

Yeltsin confirmed his intention to meet Russian writer Alexander Solzhenitsyn. Currently, Solzhenitsyn is visiting the Russian Far East.

Findings of Joint Panel on POW's, MIA's Detailed

PM0606132394 Moscow IZVESTIYA in Russian 4 Jun 94 p 3

[Valeriy Rudnev report: "Joint Search For MIA's: Americans Obtain List of 'Kozelsk Convoy', We Get 'Klaus Dossier'"]

[Text] The latest, 10th, plenary session of the Russo-U.S. commission to trace U.S. MIA's has ended in Moscow. Assessing its results, Doctor of Historical Sciences General Dmitriy Volkogonov, the commission chairman, noted at the traditional news conference that their more than two years of work had been in the nature of a multilateral international humanitarian act.

The two-year investigation may not have brought any sensations, but it has nonetheless revealed many secrets. After World War II there were more than 20,000 U.S. citizens on Soviet territory who had been released from German imprisonment by Soviet troops. The overwhelming majority of them were repatriated. Several people died in transit camps and, admittedly, not all the graves have been located. The Americans are doggedly searching for them with our help.

Checks on one eyewitness led the commission members in a new direction. At issue is a camp for U.S. POW's built by the Japanese in the South Kuril Chain. According to locals, during World War II it held between 500 and 12,000 Americans. Neither the Russian nor the U.S. researchers as yet have any documentation to confirm this. But their joint expedition to Iturup Island revealed traces of a POW camp. Who was held there is a mystery.

Another "black spot" from World War II was the Tashkent camp for interned U.S. pilots. The researchers have no doubts about its existence. But not a single document about the camp has yet been found in a single Russian archive—including Defense Ministry, state security, MVD [Ministry of Internal Affairs], and CPSU archives.

The search for documents about the Tashkent camp unexpectedly led researchers to the previously unknown episode of the transportation in the winter of 1941 of, according to archive materials, several dozen "British and French internees." Just who they were—whether it was just British and French and what happened to them—is as yet unknown. The commission members are concerned about the fact that the unknown convoy repeated the route taken by the Polish officer POW's (ending at the Kozelsk camp) who were shot in 1940. Once all the formalities in declassifying the list of the "Kozelsk convoy" have been carried out, it will be passed to the Americans.

The Russo-U.S. commission is interested in any information on an incident that took place over the Barents Sea 1 July 1960. Soviet fighters shot down a U.S. aircraft that had violated the state border. Two U.S. pilots survived and two died. The survivors and one dead body were handed over to the U.S. authorities. It is not known where the other American is buried—his grave is being sought.

The Americans have been given documentary information on the areas where around 500 U.S. aircraft shot down by Soviet pilots or air defense troops came down. Records of the interrogations of more than 50 U.S. pilots involving the Soviet special services have also been passed on....

The "Vietnam document" on 1,205 U.S. POW's originally obtained through Soviet foreign intelligence channels and handed over to the U.S. researchers last year continues to exercise public opinion. The commission members are disinclined to discuss whether the figures cited in it are realistic, but they are confident of the document's authenticity.

The plenary session of the commission naturally discussed Russian citizens missing abroad. According to Gen. Volkogonov's figures, there have been 106 local wars and armed conflicts since World War II. And at the will of the state Soviet citizens participated in almost every clash. The list of MIA's in these wars includes thousands of Russian names.

Clearly, the Americans had prepared carefully in advance of this discussion. Because the gift they presented to the Russian side was truly a gift from the gods—the so-called "Klaus dossier," a document that had until recently been a complete secret not only to our researchers but to the Americans as well. It is claimed that U.S. State Department staffer Klaus was the only man privy to all the U.S. intelligence reports on conflicts involving Soviet citizens. Moreover, the "Klaus dossier" contained information from other confidential sources

as well. Familiarization with this material may be the key to revealing what happened to thousands of our fellow countrymen lost without trace during various conflicts.

Archives Throw Light on Fate of U.S. MIA's

LD0306170794 Moscow ITAR-TASS in English 1630 GMT 3 Jun 94

[By ITAR-TASS correspondent Lilia Kuznetsova]

[Text] Moscow June 3 TASS—The testimony of eyewitnesses and access to archive materials have thrown additional light on the fate of American servicemen reported missing during World War II on the territory of the Soviet Union, according to the members of the joint Russian-American commission. The commission, created to study the problem of American missing, held a press-conference on Friday to discuss the results of its latest plenary session.

Co-Chairman of the commission Dmitriy Volkogonov declared that the group's work has reached a new level and taken on an international character. The embassies of Great Britain, Australia, and Italy appealed to the commission today to help them learn more about their missing servicemen. Volkogonov said the group's work was "very important evidence of the improvement in relations between Russia and the USA."

Congressman Pete Peterson, co-chairman of the commission from the American side, noted that their work has been based exclusively on facts and personal testimony. The "cold war" group was able to uncover the remains of American pilot John Robertson Dunham, who was shot down over the Soviet Union in October 1952. New information about the pilots shot down in April 1950 and September 1952 has also been gathered.

The commission's sub-group for the Korean war has been able to get new information from Russian archives, and even the intelligence archives were opened up to shed more light on the Vietnam war.

The commission also noted that the American side has been able to provide the Russians some additional clues concerning Russian servicemen reported missing in Afghanistan.

Reverberations of Ames Case Within CIA Viewed

PM0306091594 Moscow ROSSIYSKAYA GAZETA in Russian 2 Jun 94 First Edition p 6

[Anatoliy Shapovalov report: "You Don't Play With the Son of a Spy—News About Ames, Whom Nobody Betrayed"]

[Excerpts] The jury has yet to pass its final verdict, but the case of 52-year old Aldrich Ames, the top CIA staffer accused of spying for the USSR and later Russia, seems to be quietly dying. And this applying of the brakes is no coincidence: The large-scale exposure of the Ames couple entailed a huge scandal in the United States over how, indeed, this was allowed to happen, and why it was overlooked.

Skillfully steering the course of events, the state has made a move which is not without interest. The intelligence services have been given the task of uncovering the exact extent of the damage done by the Ames. But even a battle waged by the most talented investigators will prove of no help if the main defendant does not want to "own up." [passage omitted]

While Ames and the jury think things over, the effects of the outburst of "spy fever" are starting to be felt in the United States, according to information from the serious newspaper THE WASHINGTON POST. Many CIA staffers feel that they are being subjected to a wage freeze and that rejections of promotion requests and threats of disciplinary financial penalties and enforced separations are becoming more frequent. Punitive measures are primarily affecting those intelligence staffers who, in the nature of their service, either directed or worked with Ames.

What is curious is that these investigations were triggered by a certain "former Communist Party official knowledgeable about the activities of Soviet intelligence." He proffered information to American counterintelligence bodies which narrowed the circle of the search and put them on the trail of A. Ames.

It is no secret that there is another version too: A. Ames was allegedly betrayed by a Russian Foreign Intelligence Service staffer. This information, to put it mildly, does not accord with reality, ROSSIYSKAYA GAZETA's correspondent was told at the Russian Federation Foreign Intelligence Service Bureau for Public and Media Relations. This story was told in some form by one Lyubimov, former chief intelligence officer in Copenhagen, and nowadays it is periodically given play by the radio, television, and LITERATURNAYA GAZETA.

According to claims by THE WASHINGTON POST, a draft law is currently under preparation in Congress designed to improve the system for vetting staffers and safeguarding security in the CIA. In contains provisions which envisage setting up a national center for the purposes of the speedy and effective discovery of spies, and which endow the FBI with extensive powers concerning the counterintelligence security of the CIA, including in the sphere of vetting its staffers. Naturally, this is opposed vigorously by the intelligence department leadership, which is concerned about the deterioration of relations not only with the FBI, but also with the American legislators. [passage omitted]

U.S. Firm Buys Rockets for Use as Target Practice

PM0306151994 Moscow KRASNAYA ZVEZDA in Russian 3 Jun 94 p 1

[Leonid Pozdeyev report: "Americans Buy Rockets in the Urals"]

[Text] Following an exhibition of Russian technologies in the United States, the U.S. firm Douglas has concluded a contract with Yekaterinburg's "Novator" design bureau. The Urals firm has pledged to ship 2,000 rockets to the United States.

These rockets are not going to join the U.S. Army's arsenal but will indirectly help enhance its combat might. The thing is that specialists from Douglas intend to use the Russian rockets as targets when testing new arms.

Russia To Sell Brazil Air Defense Missiles, Launchers

LD0406100594 Moscow ITAR-TASS World Service in Russian 0530 GMT 4 Jun 94

[By ITAR-TASS correspondent Andrey Kurguzov]

[Text] Brasilia, 4 Jun—Russia is to sell Brazil air defense missiles and launchers. Agreement on this was reached here during talks which ended on Friday between the leadership of the Ministry of the Army of this major Latin American country and representatives of the Rosvooruzheniye [Russian armaments] association.

In an interview with an ITAR-TASS correspondent, Col (?Cupertino), a spokesman of the Army Ministry, stated Russia will sell Brazil 112 Igla missiles used against helicopters and other low-flying targets and 56 missile launchers. To purchase this combat equipment Brazil's military chiefs have used part of the 100 million dollars allocated by the government for the modernization of the army. An ITAR-TASS correspondent received confirmation from a spokesman of the Russian Embassy in Brasilia that the deal had been concluded.

Col. (?Cupertino) stressed the deal was concluded as a result of the talks that were held in Moscow last September by Zenildo de Lucena, minister of the army, and the inter-governmental protocol of intent on trade and economic cooperation that was signed last December during the visit to Russia by Jose Andrade Vieira, then minister of industry, commerce and tourism. The protocol envisages, among other things, increasing the volume of Russian-Brazilian trade to four billion dollars in the next four years. The ministry spokesman said it was possible that other agreements in the military sphere would be reached in future and Brazil was interested in pursuing this. In connection with this, Gen. Gilberto Serra, head of the center for social relations of the Ministry of the Army, in an interview for the GLOBO newspaper said "Brazil is interested in buying from Russia as large a volume of armaments as possible at the least cost." At the present time Brazil is studying the possibility of organizing production of Igla type missiles in the country, he stressed.

Chile's General Pinochet Cancels Visit

LD0506015794 Moscow Radio Rossii Network in Russian 0100 GMT 5 Jun 94

[Text] General Pinochet, the former dictator of Chile, has cancelled his trip to Russia. He is currently on a private visit to the Czech Republic. However, he is to return to Chile in the immediate future. Pinochet's visit to Russia was also to have been of a private nature.

Kondratyev Seeks Peacekeeping Force for Georgia

LD0606114194 Moscow INTERFAX in English 1022 GMT 6 Jun 94

[Text] Russia's Deputy Defense Minister Colonel General Georgiy Kondratyev believes that the situation in the zone of the Georgian- Abkhazian conflict is explosive. "Although large-scale combat operations are hardly possible, armed clashes between various groupings may destabilize the situation," he told Interfax on Monday.

Kondratyev favors the earliest possible despatch of peacekeeping forces to this zone. He said, however, that the final decision is to be taken by the Russian president, who chairs the Council of the CIS Heads of State.

To quote Kondratyev, a peacekeeping operation might facilitate the return of refugees and a comprehensive settlement of the conflict. He also announced that the Russian peacekeeping contingent was ready to begin the operation three to five days after the decision was taken.

A total of 1,500 Russian peacekeepers, consisting of two divisions based in the Leningrad and Volga military districts, are expected to be sent to the conflict zone. Subsequently, peacekeepers from other CIS countries are to join the operation.

Geneva Talks on Georgia-Abkhazia Postponed to 15 Jun

LD0606121294 Moscow ITAR-TASS in English 1149 GMT 6 Jun 94

[By ITAR-TASS correspondent Anatoliy Yurkin]

[Text] Moscow June 6 TASS—The talks on settling state and legal relations between Georgia and Abkhazia, which were scheduled to begin in Geneva on June 9, have been put off until June 15.

The Abkhazian Supreme Soviet press centre informed ITAR-TASS that the decision was necessary due to the suspension of the deployment of CIS peacemaking forces into the confrontation zone on the Inguri river, in compliance with the agreement on ceasefire and disengagement of troops which was undertaken in Moscow.

Military Denies Russian Forces Move to Georgia

LD0606134394 Moscow Radiostantsiya Ekho Moskvy in Russian 1100 GMT 6 Jun 94

[Text] Russian military sources have denied a report from Tbilisi that Russian peacekeeping forces are being brought into the Georgian-Abkhazian conflict zone. Representatives of the Russian Ministry of Defense stated there is no movement of Russian troops on the territory of Georgia and Abkhazia.

Soskovets Receives Visiting Kazakh Foreign Minister

LD0306161194 Almaty Kazakh Radio Network in Kazakh 1400 GMT 3 Jun 94

[Text] Foreign Minister Kanat Saudabayev, who is on a visit to Moscow, met Oleg Soskovets, first deputy chairman of the Russian Government. They had a detailed and frank exchange of opinions on a wide range of problems of mutual interest. Special attention was focused on the necessity to increase integration processes both in political and economic spheres. Soskovets, in particular, stressed the importance of removing the tendency to politization of economy, which has manifested itself of late. The sides expressed their belief that it is urgent to invigorate work and implement the agreements reached during Nazarbayev's first ever official visit to Russia in late March. Big hopes to this effect are placed on the Kazakh-Russian intergovernmental commission. Concurrently, in the interests of overcoming the decline of production, both states should actively use possibilities connected with development of direct contacts between separate regions and enterprises, and encourage targeted investment in business.

Kazkakh Foreign Minister on Integration

LD0306174594 Moscow INTERFAX in English 1603 GMT 3 Jun 94

[Text] There are no problems in Russian-Kazakh relations which could hamper their integration, Kazakh Foreign Minister Kanat Saudabayev said in an interview with Interfax. Saudabayev is now in Moscow on a non-official visit.

For instance, he said that there were no problems concerning the Russian-speaking population in Kazakhstan since this amounted to 95 pct of the Kazakh population.

Saudabayev stressed that there was no alternative to the process of economic, political and cultural integration between Russia and Kazakhstan.

Today Saudabayev discussed increased cooperation between the two countries with Deputy Chairman of the Federation Council Ramazan Abdulatipov. Saudabayev announced that they had agreed that the legal basis for the integration had already been established or was being established. The goal now is to make it concrete.

Moscow Seeks Greater Role in Kazakhstan Space, Oil

MK0406121094 Moscow KOMMERSANT-DAILY in Russian 4 Jun 94 p 3

[Vadim Bardin, Konstantin Smirnov report: "Moscow Intends To Take Control of Oil Export From the CIS"]

[Text] In relations between Russian and Kazakhstan, there are no problems that could prevent the process of their integration, primarily economic. This was announced yesterday by Kazakhstan Foreign Minister Kanat Saudabayev at a press conference in Moscow. He also said the republic is ready to consider the question of Russia's participation in developing and transporting Kazakhstan oil.

In spite of the upbeat assessments made at the press conference, Russian-Kazakhstan economic relations have two sore points. These are Baykonur and the development of the Caspian shelf. More broadly, this means the problem of oil deliveries from the Caspian region.

In the Russian-Kazakhstan litigation around Baykonur, a new party has emerged: the Lockheed Corporation. It is interested in the program of Russian commercial space launches. First, the corporation produces satellites that are launched. Second, under a contract with NASA, it is one of the main contractors for manufacturing the Alfa station, and this project is directly related to launches from Baykonur. Therefore, in its struggle for the cosmodrome, Russia can acquire a strong ally and, judging by information from confidential sources in the Russian Government, a joint team is being formed with Lockheed.

Whereas the situation around Baykonur has become rather commonplace, Moscow has not raised the issue of the Caspian until recently. On 2 June Grigoriy Karasin, chief of the Foreign Affairs Ministry Press and Information Service, stated that his department had presented the British embassy with an official note. It says that Russia deems invalid any agreements connected with developing mineral resources in the Caspian Sea basin that have not been approved by Russia and other countries of the basin. This rigid demand is substantiated by the sea's inland ecological regime.

Thereby Russia confirms its intention directly to participate in projects that are being implemented in Kazakhstan and Azerbaijan. The Kazakhstan projects are Tengiz and Kaspshelf, and in Azerbaijan there is a similar project to produce oil on the Azerbaijan shelf of the Caspian. The note was sent to Great Britain because a leading role in all the projects belongs to British Petroleum.

So far Russia, through Lukoil, directly participates in the Azerbaijan project. Lukoil holds 10 percent of the stock; Azerbaijan, 30 percent, and the rest is controlled by a consortium of Western firms.

Russia, jointly with Kazakhstan and Oman, participates in the Caspian pipeline consortium on a parity basis.

The best possible option for Russia would be transportation of Azerbaijan oil through the Caspian pipeline. On the other hand, Russia is ready to render Azerbaijan assistance in building oil pipelines through Turkey or Iran. In any event, Russia's share in the Azerbaijan project should increase. Russia's ultimate goal, diplomatically covered up by references to ecology, is apparently to preserve control of the oil export from this largest non-Russian oil producing region in the CIS. In all probability, this idea was also maintained by Fuel and Energy Minister Yuriy Shafranik at the 14th International Oil Congress in Norway. Russia has officially favored accession to the European Energy Charter. This idea has not been approved yet because the West is not ready to lift restrictions on Russian oil in Europe.

Moscow Protests UK-Azerbaijani Caspian Oil Deal

PM0706094694 Moscow IZVESTIYA in Russian 7 Jun 94 p 3

[Gennadiy Charodeyev report: "Moscow Disagrees With Partition of Caspian"]

[Text] Moscow regards as premature the conclusion of the Anglo-Azerbaijani memorandum on cooperation in prospecting for and extracting oil and gas in the so-called "Azerbaijani sector" of the Caspian, a high-ranking Russian Foreign Ministry spokesman told IZVESTIYA.

A note handed to the British ambassador in Moscow explains that there is no sectoral demarcation of the seabed in the Caspian. The Caspian is by its nature an enclosed body of water with a single ecological system and constitutes an object of joint use, within whose bounds all questions of activity, including the opening up, surveying, and utilization of resources, must be resolved with the participation of all the Caspian states (Russia, Azerbaijan, Iran, Kazakhstan, and Turkmenia). Therefore, as the Russian note to her majesty's official representatives stated, any steps by any Caspian state aimed at securing advantages in respect of the area and resources of the Caspian run counter to the other Caspian states' interests and cannot, in this context, be recognized.

Russian experts in the sphere of international law of the sea have specified that the idea advanced by Iran of commencing talks among the littoral states on formulating common international legal principles of the joint use of the Caspian's natural riches has still not been realized. At the time the Iranians proposed setting up a special commission for this, which would include all the interested sides. Moscow supports this idea. But Baku is evidently in a hurry to play its "Caspian card" by announcing the unilateral introduction of a special "Azerbaijani sector" in the sea. At a recent meeting with representatives of the British Petroleum oil consortium, who are reckoning on concluding a profitable deal, President Geydar Aliyev of Azerbaijan, while supporting in principle the idea of working out the Caspian's international status, nevertheless declared: "May this question not trouble you. Nobody has the right to deprive Azerbaijan of its national riches."

London has taken cognizance of the information forwarded by the Russian side and promised to investigate.

Moscow's Rising Profile in Karabakh Viewed

MK0406084094 Moscow NEZAVISIMAYA GAZETA in Russian 31 May 94 p 3

[Nikolay Zhelyabov article in the "Opinion" column: "Karabakh: A Settlement, or Struggle for Influence? The Interests of Moscow and the West Have Clashed in the Transcaucasus"]

[Text] A lull in one of the most protracted conflicts on the territory of the former USSR—Nagorno-Karabakh—achieved again with Russia's mediation, allows the hope that this cease-fire could be final and that the sides will soon make a step toward a comprehensive settlement. However, even if Baku, Yerevan, and Stepanakert really, sooner or later, coordinate compromise solutions with all the parties involved, one problem will still remain: Will it also be possible to work out a general code of conduct for the intermediaries? In so far as Russia and the CSCE—and in the final analysis, Russia and the United States—seeking to make an impact on the course of this conflict, pursue not least their own regional interests, the parties to it, balancing on the "needle's point," are trying to play on their differences, turning them to their own advantage.

Thus, immediately after Russian Defense Minister Pavel Grachev, at negotiations in Moscow, tried rather rigidly to condition the implementation of the first, military-technical, stage of the Russian peace plan by participation in it of Russian peacekeeping forces and possibly those from CIS or CSCE member states, U.S. Ambassador to Azerbaijan Richard Kozlaric made a statement: Any plan for resolving the Karabakh problem, including Russia's, should be implemented within the CSCE Minsk group while the introduction of CIS disengagement forces should proceed under the supervision of international observers.

The problem, however, is that over two years of its work the CSCE Minsk group has managed to coordinate a sole document: a mandate of CSCE observers—but even then it has not yet been approved by the Committee of Conference Senior Officials. There is also a "CSCE Minsk group schedule," most of whose provisions, however, have been drafted in Moscow. It was openly rejected by Azerbaijan, and even though Karabakh accepted it, it did so only because the plan did not please Baku: for no other reason. The Minsk group has made no attempts to reanimate it. Meanwhile Russia, leaving the CSCE "to mark time," has again invigorated its own intermediary offices and proposed its own plan for a

settlement which in any event is more concrete and balanced, and coordinated with the parties involved.

This course of events, however, could hardly satisfy those who pursue their own ambitions in the region. But whereas, say, Ankara has today found itself by the wayside of the settlement, the United States quite openly indicates that it does not intend to turn a blind eye to the activity of Russia which can enhance its influence in the Transcaucasus. U.S. diplomats, incidentally, exert fairly tangible pressure both on Baku and Yerevan, using in one instance the issue of political freedoms, and in the other, cuts in humanitarian supplies in order to minimize Russian influence. Observers link this pressure to a recent rise in opposition activity in Baku which sharply moved against the Russian plan being adopted.

There is a difference in approaches also within the Minsk group itself. The Swedes, who preside over it now, are ready to interact within the Russia-CSCE tandem, aware that without Russia the Minsk group will not be able to work. The United States, on the other hand, wants not simply to change the leader in this linkage but to isolate Russia's activity within the confines of the Minsk group.

Recently its chairman Jan Eliasson invited Armenia, Azerbaijan, and Karabakh to sign a document whereby the parties ask the CSCE to send its observers to the conflict region, including observers from the CIS and Russia. In the situation when Russia, implementing its plan, ensures a cease-fire and consolidates its own positions in the region, this document at the very least should raise the CSCE's authority. The Americans, however, would like the international observer headquarters to appear in the conflict zone before the arrival of Russian peacemakers. This could bring political dividends to the mission but, from the "material" perspective, 34 CSCE observers, the first ones, based in Agdam or Stepanakert, will not be working "in the field" and will not be able to maintain or carry out on-site inspection of the cease-fire. And even in two weeks, when another six observer groups appear, they will not be able to "cover" the entire control zone whereas under the Russian plan, within the first three days, 49 monitoring posts and mobile groups will be deployed, ensuring an effective cease-fire. Given that the financing of the Russian peacekeeping operation will in all likelihood be done at internal standards, the following comparison will be in place: in South Ossetia, where a similar operation is under way, the commander of the Russian contingent receives less in a month than CSCE mission members make in a day.

The maximalist position is that the CSCE, if it wishes to play a more active role in the settlement, should provide not only its "front" but also the requisite maintenance for it. And it has no intention to incur such expenditures. Therefore Russians, for their own beggarly compensation, will throw themselves "into the thick of it" while CSCE observers will arrive under more comfortable conditions and only if the situation is calm.

Meanwhile, Moscow allows that the signature by a CSCE representative may be put under the "big" political agreement proposed by the Russian intermediary. Even so the geopolitical game continues. The military-technical document drafted by Pavel Grachev's office has been signed, apart from him, by Armenia and Karabakh, with Azerbaijan taking a wait and see attitude. Azerbaijan agreed to put its signature under the "Eliasson document" and Armenia and Karabakh are still pondering.

Accord Signed With Ukraine on Extending Gas Pipelines

LD0406215094 Moscow Radiostantsiya Ekho Moskvy in Russian 1500 GMT 4 Jun 94

[Text] A Russian-Ukrainian joint stock company will be set up by the end of this year to broaden and rebuild transit gas pipelines on Ukrainian territory. An agreement has been concluded between Russia's Gazprom and Ukrgazprom. A precise timetable for clearing the debts owed to Russia for gas was agreed upon at these talks.

Political Issues

Shumeyko Appointed to Security Council

LD0606125794 Moscow Russian Television Network in Russian 1200 GMT 6 Jun 94

[Text] The President of Russia's press service said today that Vladimir Shumeyko, chairman of the Russian Federation Council, had been made a member of the Security Council.

Yeltsin Edict on Boosting Anti-Crime Measures

PM0606152394 Moscow ROSSIYSKAYA GAZETA in Russian 1 Jun 94 First Edition p 4

[Edict No. 1016 of the Russian Federation President "On Urgent Measures to Implement the Russian Federation Federal Program To Step Up the Fight Against Crime in 1994-1995," dated 24 May 1994, The Kremlin, Moscow, and signed by Russian Federation President B. Yeltsin]

[Excerpt] In view of the continuing growth of crime, which is posing a serious threat to the security of the state and of society, in order to reinforce the protection of citizens' constitutional rights and freedoms against encroachments by criminals and to mobilize the forces and resources to do this, I rule that:

1. The Russian Federation Federal Program To Step Up the Fight Against Crime in 1994-1995 (appended) is to be approved.

The Russian Federation Government is to provide finance for the aforesaid Program.

The leaders of Russian Federation ministries, departments, and institutions executing the Russian Federation Federal Program To Step Up the Fight Against Crime in 1994-1995 are to be made personally responsible for its full and timely implementation.

O.I. Lobov, secretary of the Russian Federation Security Council, is to oversee the implementation of the Russian Federation Federal Program To Step Up the Fight Against Crime in 1994-1995.

2. The Federal Assembly State Duma is to be recommended to examine on a priority basis draft laws submitted by the Russian Federation president and Russian Federation Government geared to stepping up the fight against crime and improving criminal, criminal procedure, enforcement, administrative, and administrative procedure legislation and also the activities of law-enforcement organs.

3. It is recommended that organs of state power in the components of the Russian Federation:

—adopt comprehensive regional programs to step up the fight against crime;

—bring the strength of subunits of the public safety militia (local militia), financed by the budgets of the components of the Russian Federation, up to authorized strength by 1 July 1994;

—complete in the first half of 1994 the formation of regional nonbudget funds set up to provide additional finance for measures to strengthen the rule of law and public order, to provide more materials and equipment for law-enforcement organs and citizens' public associations to protect law and order, and also to pay for citizens' public order work;

—provide concessions on taxes and other payments to the budgets of Russian Federation componments for enterprises, organizations, and instituitions utilizing the labor of people serving jail sentences.

4. The Russian Federation Government is to:

—regard as a priority area of its activities the prompt elaboration and enactment of normative government documents aimed at stepping up the fight against crime, protecting property and public order, and improving the activities of law-enforcement organs;

—examine in the first half of 1994 the question of increasing the authorized strength of transport militia subunits in order to ensure public order and passenger safety on long-distance and suburban trains;

—complete in the first half of 1996 the formation of a state nonbudget fund, the money to be used to provide additional finance for measures to implement federal and regional programs to combat crime and also to strengthen the law-enforcement organs' material and technical base;

—devise a federal program to prevent child neglect and offenses by minors and young people;

—elaborate within three months a federal program to promote the employment of people sentenced to jail terms;

—devise a range of moral and material incentives in order to retain investigators and operational staff in law-enforcement organs and ensure the prompt and high-standard investigation of criminal cases—incentives based on their level of training, length of service, and nature of the crimes under investigation:

—finance in 1994-1995 measures to increase the strength of operational formations and troop units of the Russian Federation Internal Affairs Ministry Internal Forces and to provide accommodation for them;

—provide Russian Federation Internal Affairs Ministry Internal Troops with combat equipment, armaments, special vehicles and special facilities in 1994-1995, depending on the nature and size of the tasks being performed by the Internal Troops. Make the requisite

amendments to the Russian Federation Government's decisions on these matters;

—elaborate within three months and enact model statutes on federal, municipal, and departmental stocks of official housing allocated to judges, staff of law-enforcement organs, and servicemen of the Russian Federation Internal Affairs Ministry Internal Forces;

—elaborate within one month and approve standard statutes on assistant heads of organs of executive authority in the Russian Federation on crime-fighting matters.

5. Leaders of federal organs of executive authority and organs of executive authority in the components of the Russian Federation are to create conditions encouraging citizens and their associations to participate in the protection of public order and the prevention and stopping of crime.

6. The Russian Federation Foreign Ministry is to take immediate steps to increase control over the issuing of entry visas by Russian diplomatic and consular establishments in states from which there is uncontrolled immigration into the Russian Federation.

7. In order to strengthen the system of Russian Federation Justice Ministry forensic science establishments, the Russian Federation Government has been given a month to sort out the pay of forensic science establishments' staff, applying the pay principles operating in Russian Federation General Prosecutor's Office scientific and educational establishments.

The Russian Federation Justice Ministry has a month to prepare draft statutes on the class ranks of Russian Federation Justice Ministry forensic scientists, to be submitted to the Federal Assembly State Duma in the proper manner.

8. As of 1 July 1994 an obligatory record is to be kept in the Russian Federation of color copying facilities (desktop publishing, duplicating machinery, inkjet printers) acquired by citizens and by enterprises, organizations, and establishments, irrespective of the form of ownership and sphere of activity.

The Russian Federation Government has two months to approve the rules for registering, keeping, and using color copying facilities in the Russian Federation.

9. The Russian Federation Internal Affairs Ministry and the Russian Federation Justice Ministry, in conjunction with other interested federal organs of executive authority, in order to widen the militia's rights in the fight against crime, will prepare within two months proposals on the relevant amendments to Russian Federation legislative acts, envisaging:

—granting the militia the right to inspect buildings and premises of enterprises, institutions, and organizations, irrespective of the form of ownership (except the buildings and premises of diplomatic, consular, and other establishments of foreign states and international organizations enjoying immunity in accordance with international treaties or Russian Federation legislation), if there is reliable evidence that a crime is under preparation;

—changing the rules and procedure for the use of weapons by officers of law-enforcement organs when performing their official duties protecting public order and fighting crime.

10. The numerical strength of operational formations and troop units of the Russian Federation Internal Affairs Ministry Internal Forces is to be increased by 52,000.

The Russian Federation Internal Affairs Ministry is to be given the right to redistribute the Internal Forces' numbers in accordance with any change in the size of the tasks they perform.

11. The Russian Federation Internal Affairs Ministry, Russian Federation Transport Ministry, and Russian Federation Ministry of Railways are to:

—take additional steps to guarantee citizens' safety in airports, sea and river ports, and stations;

—set up special militia subunits to travel on long-distance and suburban trains and decide how they will operate;

—elaborate within a month comprehensive measures to prevent and stop offenses on transport that pose a threat to passenger safety.

12. The Russian Federation Internal Affairs Ministry, Russian Federation Federal Counterintelligence Service, Russian Federation State Customs Committee, and Russian Federation Tax Police Department are to regularly carry out large-scale coordinated targeted operations to identify and stop corruption, criminal activities by organized gangs and groups, smuggling, the illegal export of strategically important goods, and illegal arms and drugs trafficking.

13. The Russian Federation State Customs Committee, Russian Federation Federal Border Service and Border Forces' Main Command, and the Russian Federation State Committee for Sanitary and Epidemiological Supervision are to take the necessary steps to prevent consumer goods that are a danger to people's lives or health from penetrating the domestic market from abroad.

14. The Russian Federation Defense Ministry is to:

—transfer to the Russian Federation Internal Affairs Ministry vacant military camps or training facilities that will be suitable for stationing the Internal Forces' operational formations and troop units that are being set up. They have one month to submit to the Russian Federation Government a list of and schedule for the

transfer of the aforementioned military camps and training facilities, agreed with the Russian Federation Internal Affairs Ministry;

—ensure the training of cadres for Internal Forces at military training establishments, paid for by the Russian Federation Internal Affairs Ministry;

—allocate in 1994-1995, in accordance with Russian Federation Internal Affairs Ministry Internal Forces staffing requests, a contingent of conscripts that meets the requirements of service in the Internal Forces.

15. This edict enters into effect the moment it is signed.

Russian Federation President B. Yeltsin.
The Kremlin, Moscow, 24 May 1994. [passage omitted comprising the appended "Russian Federation Federal Program To Step Up the Fight Against Crime in 1994-1995"].

MVD Holds Briefing on Gold, Hard Currency Theft

PM0706083994 Moscow ROSSIYSKAYA GAZETA in Russian 2 Jun 94 First Edition p 2

[Tatyana Korupayeva report: "At Mention of Words 'Hard Currency' People Keep Quiet"]

[Excerpts] People are thieving again in Russia.... They are swiping everything that comes to hand, everything to which the people have access, be it nails or gold bullion. But, as emerged at a briefing at the Russian Ministry of Internal Affairs [MVD] yesterday, people are most often put away for trifling matters as they are easier to investigate. Whereas the battle against "criminal infringements on hard currency assets," that is, against the plunder of the country's gold reserves, is very problematic. [passage omitted]

According to Russian Federation MVD statistics, six times more gold is being diverted today (than in 1984). The situation is the same with regard to other precious metals and stones (mostly industrial diamonds).

Inflation in Russia has forced citizens to think about the future—should they invest their assets in freely convertible currency or get hold of it by any available means irrespective of how the Criminal Code regards them. For example, many people are today convinced that Article 88 of the Russian Federation Criminal Code has actually been repealed. No, dear fellow countrymen, it is alive and kicking, only they have stopped "putting people up against the wall" for illegal currency trafficking, and, what is more, nobody really knows what is legal and what is not today. If somebody buys $100 at the exchange rate from his neighbor, this remains legal until law-enforcement agency staffers collar him. If you have done this on the quiet, then well done. But in general it is forbidden by law to buy up hard currency from individuals. For example, there are some 15,000 bureaus de change in Moscow for this purpose, of which one-third, as a check showed, were set up independently, illegally, and have no license from the Central Bank of Russia or its representatives.

In 1993 alone 70 percent of crimes in Moscow were connected with foreign currency, which, as a rule, was unrecorded. It is used for bribes and to pay off extortionists, and a few Russian citizens are setting up numbered dollar accounts in Western banks with it. The U.S. Congress has already discussed the question of $40 billion being siphoned into West European banks from Russia. They are very concerned about this matter there. In Russia people are also concerned and perplexed, but at the moment no one is in a position to even halt this currency crime wave. Incredible efforts by law-enforcement agencies have managed to return only one-fifth of what is circulating outside the homeland to its coffers.

Predictions made by MVD staffers are very alarming: In the next three or four years there will be a repartition of spheres of influence among criminal structures in the gold- and diamond-extracting industry.

'Rumors' of Special Unit's Return to FCS Denied

PM0606154794 Moscow NOVAYA YEZHEDNEVNAYA GAZETA in Russian 4 Jun 94 p 1

[Investigations Department report under the "Rumors" rubric: "'Vympel' Stays at the MVD"]

[Text] The rumors that have appeared that "Vympel" is returning to the FCS [Federal Counterintelligence Service] have been greatly exaggerated. There has been no talk of this, and nobody has even had such a thought, so the press services of the MVD [Ministry of Internal Affairs] and the FCS have declared. Moreover, "Vympel" does not exist as such. Following the special group's transfer to the MVD, the "Vega" special subunit was created on its basis.

Work is now being conducted within the FCS itself to create its own operational administration. The FCS Press Service does not possess any more detailed information at present.

FCS Personnel Officer Interviewed

PM0706081394 Moscow KRASNAYA ZVEZDA in Russian 4 Jun 94 p 7

[Interview with Colonel Boris Bolshakov, deputy head of the Federal Counterintelligence Service Personnel Directorate, by Aleksandr Dolinin; date, place not given: "Will You Join Counterintelligence?"—first paragraph is introduction]

[Text] The Federal Counterintelligence Service [FCS] was set up recently as an autonomous organization. Our correspondent spoke to Colonel Boris Bolshakov, deputy head of the Personnel Directorate, about the specific nature of the FCS and its problems.

[Dolinin] Boris Terentyevich, how is reform of your service going and has its cadre potential been preserved?

[Bolshakov] The FCS is not living in a vacuum, it is experiencing the effect of social development trends. There have been fundamental structural changes in the course of reorganization but no dramatic replacement of cadres; the professionals have been retained. We are improving management organization, we are being relieved of functions that do not properly belong to us and duplication of functions and are seeking out internal reserves. We are trying to preserve the best traditions in line with the Constitution and the laws.

[Dolinin] How far have your organization's functions changed? Who works in the FCS today?

[Bolshakov] The Border Troops have been assigned to an autonomous structure, investigation subunits have been wound up, and we have also been relieved of a number of functions belonging to internal affairs organs, and there have been considerable cuts in managerial structures. But in connection with growing international exchange, there is more work in ensuring economic security and preventing terrorism, sabotage, smuggling operations, and the narcotics business. We have embarked in earnest on improving information and analysis activity. Consequently, there can be no talk of a sizable cut in operational personnel. People who have completed their prescribed period of service have been discharged. We have no qualms about their future—former counterintelligence personnel are rated highly on the job market.

The counterintelligence service has 75,000 personnel today, while the management apparatus numbers around 1,500. Forces and funds will continue to be redeployed. For instance, the cuts in the Armed Forces make it necessary to reorganize military counterintelligence organs.

Our operational personnel have higher education and most receive thorough special training. Many speak foreign languages. Rigorous selection and training are carried out at FCS training establishments and individual training is provided on the job.

[Dolinin] How does one get to serve in counterintelligence?

[Bolshakov] You will not find advertisements on the street or in the newspapers regarding employment in counterintelligence organs. Young people (Russian citizens) may be advised to apply to territorial counterintelligence organs. Personal voluntary recruitment can be as a servicemen or as a civilian. A contract is concluded with the former. Candidates are carefully vetted regarding their suitability for specific counterintelligence work. Morals, honesty, decency, and ability to resist negative influences go without saying. Health and physical fitness requirements are also high.

[Dolinin] Are women employed in counterintelligence?

[Bolshakov] We have plenty of women working for us, including officers and warrant officers. The range of these posts will clearly expand.

[Dolinin] You mentioned incentives for cadres...

[Bolshakov] The work of personnel in the most "challenging" areas attracts additional recognition; an "Honored Counterintelligence Officer" badge has recently been introduced. The officers who caught representatives of the British and German special services redhanded and who stopped an attempt by North Korean Embassy staffers to illegally buy state-of-the-art Russian technologies were the first to receive it.

[Dolinin] Has the FCS become more open?

[Bolshakov] Counterintelligence leaders have begun to speak out in the mass media more frequently. I consider it useful to issue official reports on collegium sessions and FCS leadership conferences. We give taxpayers information about the way their money is spent. Studying public opinion helps make the necessary adjustments to our work.

There are also plenty of fabrications about our work which give rise to various rumors, conjecture, and suspicions regarding counterintelligence. People try to blame it for things that it has nothing to do with.

How can disinformation be countered? For instance, on the initiative of the FCS director the stamp "For Official Use Only" was removed from the document announcing the statute on our service. It has been published in the open press.

[Dolinin] Boris Terentyevich, what is your service's attitude to KRASNAYA ZVEZDA?

[Bolshakov] We consider your newspaper to be our own. Most of our personnel subscribe to it. I would like us to have regular businesslike ties.

Further Reportage on Russian-Chechen Relations

Leadership May Ask for Extradition

LD0606192494 Moscow Radiostantsiya Ekho Moskvy in Russian 1800 GMT 6 Jun 94

[Text] The Chechen leadership may ask Russia to extradite Ruslan Khasbulatov and three opposition leaders: Doku Zavgayev, Chechen-Ingushetia's last Communist Party leader; Yaragi Mamodayev, head of the so-called government of popular trust, as well as Abdulla Bugayev, leader of Freedom political movement, and Salambek (Gadzhiyev), who are the most active opposition leaders. Official Groznyy accuses them of collusion with Russia and actions against the Chechen people. Also today, the Chechen Foreign Ministry called upon all foreign states to refrain from any contacts with the opposition.

Filatov Accuses Dudayev of 'Foiling' Talks

LD0606171794 Moscow INTERFAX in English 1521 GMT 6 Jun 94

[Text] The head of the Russian presidential administration Sergey Filatov has accused the Chechen President Dzhokar Dudayev of foiling the talks between Moscow and Groznyy. In a Monday interview with Interfax he said that the latest statement by Dudayev actually undermined the budding talks between Chechnya and the federal government bodies.

On Sunday in an interview televised by NTV, Dudayev, who seemed very irritated, once again accused Russia of fanning tension around his republic and threatened to apply adequate measures to Russia.

At a meeting with the press, Filatov said it was most strange that Groznyy actually refuses to continue the dialogue because he claimed it was the Chechen leadership that came with the initiative of the meeting between presidents Boris Yeltsin and Dzhokar Dudayev.

Filatov regretted that instead of a policy of negotiations Dudayev chose the policy of seeking enemies.

He described as a dirty game the attempt of the Chechen leader to label the decree of the Russian president on the expansion of the zone of the state of emergency in North Ossetia and Ingushetia as the occupation of Chechen territory by Russia. He said the spreading of the state of emergency regulations to Malgobek and Sunzhen regions of Ingushetia neighboring on Chechnya was agreed upon by Yeltsin and the Ingush President Ruslan Aushev and directed at strengthening stability and peace in the region.

Filatov recognized that Dudayev is the actual Chechen leader who cannot be disregarded but said that a threat to Russian society comes from that area. He said arms are smuggled from Chechnya to Russia, trains are robbed, other crimes committed.

"In any case Russia has two problems to resolve in Chechnya: socio-economic and fiscal, it has to protect Russian citizens there", Filatov said. He stressed that if passengers and cargos crossing Chechnya by rail are not protected, Russia might face the necessity of altering the railway route.

Filatov said that despite the failure of the talks with Groznyy Moscow will try to analyze the reasons and define the way of normalizing relations.

The sharp anti-Russian statements on the part of Chechen President Dzhokar Dudayev make it impossible that Moscow appoint representatives for the talks on settlement of relations between the Russian federal bodies and Groznyy, Kremlin Chief of Staff Sergey Filatov toid Interfax today. He stressed that the president had earlier wanted new Minister for Nationalities and Regional Policies Nikolay Yegorov to be the Russian chief negotiator at the talks with Chechnya.

Shakhray Interviewed on Situation

LD0606172094 Moscow INTERFAX in English 1526 GMT 6 Jun 94

[From the "Presidential Bulletin" feature: Compiled by Nikolay Zherebtsov and Andrey Petrovsky; edited by Vladimir Shishlin]

[Text] Deputy Prime Minister Sergey Shakhray, who is responsible in the Russian government for ethnic policies, has granted an exclusive interview to the Interfax correspondent Vitaliy Djibuti.

IF: The media carry much information about the possible settlement of relationships between Russia and Chechnya. Some Chechen politicians even began to flare up passions speaking about the possible "local nuclear explosion" in Chechnya, allegedly organized by the Russian side. What is behind the incessant political interest and the hysteria of the "official Grozny" in connection of the current bilateral talks?

SHAKHRAY: There are at least three reasons. The first reason is in the political course of the official Chechen leadership aimed at the republic's economic self-isolation. The result is that today all political forces in the republic are facing the need to find prompt solutions to pull the republic out of the economic crisis. The second reason is the uncontrolled growth of crime and the danger to people's security. The third reason is in the growing political competition inside the republic among several political figures.

Also troublesome is the threat of smuggling fire arms and drugs and uncontrolled duty-free cargo transportation. The growing crime in the Chechen republic prevents from the safety of cargoes which pass along the republic. This forces the Russian Government to think about the construction of a 68-kilometer railway section which will go round the Chechen republic.

The destruction of "fuel arteries", the violation of activities of the republic's oil-processing complex, the losses sustained by the republic's neighbors make the Russian government to boost the construction of an oil-processing factory in Daghestan.

In addition, numerous "shuttle" flights of the Chechen planes to Turkey, the Middle East and other regions, which are violating international safety flight norms have put under threat the lives of hundreds of thousands of people, who are forced to earn their living by going abroad and buying goods there to sell them in their country.

The Russian Federation receives notes of protest from foreign countries which say about the violation of the international norms of flight safety.

The unsettled economic contacts between Chechnya and the Russian Federation, without any artificial blockades and sanctions, lead to the economic self-isolation of the Chechen Republic. Representatives of the financial and

industrial quarters of the Chechen Republic will hardly see what is going on without taking appropriate measures. This forces both sides to look for the way out of the deadlock.

IF: It was reported earlier that the Russian government is concerned over the situation in terms of pensions payment to the people living in the Chechen Republic.

SHAKHRAY: Unfortunately, the non-payment of pensions to the people who earned them by their hard work, is a common practice in the Chechen Republic. Given that the pensioners, the Chechens, the Russians, and Ingushis and other nationalities are not to blame for the non-payment, the Russian government decided to pay pensions to them. But there are no guarantees that common people will get them because the money may be plundered even before the distribution.

IF: Will the signing of a bilateral agreement between the Chechen Republic and the Russian Federation be interpreted as the refusal of Chechnya from its course for independence and sovereignty?

SHAKHRAY: Independence is to dispose freely and voluntarily of one's possibilities and resources. That is why the mutual delegation of powers is a practical form for the materialization of independence and sovereignty. And to settle economic problems and combat crime is the top priority issue.

IF: It seems that the lack of settlement of the Chechen issue is also due to the difference in the approaches to the political framing of Russian-Chechen relations displayed by certain Russian leaders.

SHAKHRAY: I do not understand from what angle this issue can be discussed. Politically, the issue has been solved. The president's message to the parliament clearly said that the talks could be based on free elections in Chechnya and negotiations on power-sharing with the federal bodies. The State Duma has stated an analogous position. The formula on free elections is not an ultimatum or a pre-condition. This is a question of legalization of the reached agreements and of the package of economic agreements with no preliminary specific term for the elections must be set. This is not at all a question of political situation or one's personal predilections. That is why today discussion between the federal powers on this subject will be out of place.

IF: How are the bilateral talks between the Russian and the Chechen power bodies going now?

SHAKHRAY: Currently, there are consultations in the Russian government. The ministries and departments concerned and the governmental commission which I head are working on economic and juridical matters related to all the issues. This must result in a draft bilateral treaty and a package of necessary economic agreements.

IF: Is it possible that President Yeltsin and President Dudayev will have a personal meeting within the scope of the talks?

SHAKHRAY: The Chechen president has repeatedly addressed the Russian president asking for a personal meeting and for discussion of the problems concerning settlement of the conflict. If properly prepared for, such a meeting can play an important role.

IF: Certain experts consider it quite possible that two well known Chechen politicians—Dzhokhar Dudayev and Ruslan Khasbulatov will agree on division of "spheres of influence" in domestic political affairs. Will this have an impact on the position of the federal power towards Chechnya?

SHAKHRAY: It may happen that Ruslan Khasbulatov and Dzhokhar Dudayev agree on a formula in accordance with which Dudayev will sign an agreement with Russia and elections to the Federation Council will be held on its basis. In this case there would be no reasons for doubting Khasbulatov's victory. It can be prognosticated that then the interests of the two politicians will really be placed to different spheres.

[IF Note: The Chechen authorities deprived Russian Supreme Soviet ex-speaker Khasbulatov of the right for living on Chechen territory. The government, the parliament and the Security Council held a joint meeting on Sunday and decided to put an end to illegal activities of some Chechen opposition leaders by the same way. Among those accused of activities against the Chechen people and of a plot with Russian imperial forces, there were mentioned: Doku Zavgayev (the last Chechen-Ingush Communist leader currently living in Moscow) and Yaragi Mamadayev who leads the government of people's confidence which he had established himself.]

SHAKHRAY: One point is obvious—only that Chechen politician will be capable of ensuring his political future and do good to his people, who will hold talks and normalize relations with Russia.

Specific names or family names do not matter. The reality is that innocent people, numerous refugees fled from their houses are suffering. Only gradual, careful and attentive work during negotiations will help to resolve this problem.

Consultations between the federal power and Chechen different political forces will help to consolidate the society within the Chechen Republic. All Chechen politicians will soon ascertain that the subject of the talks—the economic issues and struggle with crime—is important for different political groups. The main point is that they be guided just by one aspiration—to do good to their people. That is why the role of Chechnya's neighbors, kind peace Caucasian traditions is of importance. Everyone will have some work to do.

We must try to compensate our lost urgently, to restore the broken relations, to bring people back to their houses and to halt growing crime.

Agrarian Party on 'Accord for Russia' Movement

LD0606111694 Moscow INTERFAX in English 1022 GMT 6 Jun 94

[Text] "The goals of the Accord for Russia movement—the arrival to power of the opposition forces, the restoration of the Soviet Union, and economic and social order—are compatible with the goals of the Agrarian Party, although our attitude to this movement is cautious, Chairman of the Agrarian Party Mikhail Lapshin told Interfax. He explained his position by the fact that the agrarians favored a broader coalition of opposition forces and by the fears lest agricultural workers might be used by one of this movement's wings to advance their own political interests.

The opposition forces cannot disregard the growing strength of the agrarian movement, he continued. The time has come when the left-wing forces must give their backing to agricultural workers, who are ready to act resolutely in accordance with the Constitution against the current regime, he said.

Lapshin signed the statement by the Accord for Russia movement's leaders, but did not attend the first session of its national council on May 28, saying that he was busy working in the State Duma.

Media Issues

AL-QUDS Weekly Banned For 'Anti-Jewish Propaganda'

LD0606113194 Tehran IRNA in English 1103 GMT 6 Jun 94

[Text] Moscow, June 6, IRNA—Russian authorities have banned Moscow-based weekly AL-QUDS for alleged violation of Russian laws and printing of anti-Zionist articles. Officials cite anti-Jewish propaganda and anti-government stance of the weekly as reasons for its ban.

The weekly was viewed by political parties and people as a prestigious publication which criticized the government, revealed plots of Zionism and imperialism and published documents relating to the last year's government troop attack on parliament.

Economic Issues

Central Bank Tightens Currency Exchange Control

LD0706095894 Moscow Russian Television Network in Russian 0400 GMT 7 Jun 94

[From the "Vesti" newscast]

[Text] A spokesman for the Bank of Russia says that the central bank intends to tighten its control of currency exchange points because many contraventions of banking legislation are taking place. Among other things, an upper limit will be imposed on cash sales of hard currency—probably this summer. However, he added that this question must be agreed with the Government and the customs service.

Draft Law on State Budget To Be Adopted in Jun

LD0606160794 Moscow INTERFAX in English 1312 GMT 6 Jun 94

[Text] The draft law on Russia's 1994 budget will definitely be adopted in June, State Duma Speaker Ivan Rybkin told Interfax on Monday. As we reported earlier, the discussion of the draft budget had been scheduled for June 8.

To quote Rybkin, allocations will be increased by a total of 8 trillion rubles on research, military-conversion projects, science, education, culture and social welfare.

Jointly with the government, the State Duma is looking for additional sources of revenues, including arms exports.

Commenting on the Federation Council's recommendations to increase military spending from 37 trillion to 55 trillion rubles, Rybkin said: "Dreaming is no sin."

Asked about the reason behind his meeting with Yeltsin scheduled for Tuesday, he said that it would be a routine meeting held monthly on the first Tuesday to discuss the most urgent issues.

Further on Edict on Sale of Bankrupt Enterprises

PM0606124194 Moscow IZVESTIYA in Russian 4 Jun 94 p 1

[Irina Savvateyeva report: "Many Plants and Factories Could Be Sold Off and Their Leaders Fired"]

[Text] Boris Yeltsin has signed the edict "On the Sale of State Debtor-Enterprises." This is one of the most important documents in the recent package of economic edicts from the president.

A number of experts believe that the edict was not signed together with six previous edicts because of strong pressure from the directors' lobby because the document proposes a realistic mechanism for removing incompetent enterprise directors from their jobs.

But Sergey Belyayev, leader of the Federal Administration for Insolvency (Bankruptcy), claims that the delay in signing the edict was caused not by pressure from lobbyists, but by the need to finalize this legally important document.

Under the edict, insolvent state enterprises not covered by the statute on the procedure for granting state financial support are to be sold off. They will not be subject to

other forms of reorganization and will be selected by the Federal Administration for Insolvency as suitable for selling off.

In an interview with IZVESTIYA, Sergey Belyayev reported that the sale of insolvent enterprises is designed to prevent the process of bankruptcy or the effective self-liquidation of certain production facilities. The term "sale of an enterprise" means the sale of its business and property, and a change in corporate ownership.

Essentially, selling off insolvent state enterprises is tantamount to privatizing them. But this will not be a traditional kind of privatization from below, through a flotation, but a denationalization as a result of the enterprise being bought by a new owner.

The sell-off process will automatically ensure a change in the managerial staff. And it is this more than anything that worries the traditional Soviet directors, who are strongly whipping up feelings in their labor collectives in connection with the adoption of the new edict. But if anyone will be unambiguously fired it will be the director himself.

After the Federal Administration decides that an insolvent enterprise is to be sold off, the contract with its leaders will be torn up. And a new administrator, who will work within the framework of the sell-off agreement until such time as the enterprise is bought up, will be appointed by the state to replace the former director. His powers will be strictly defined by the state, and he will have no opportunity to exploit state property, as happens under the conditions of full economic management [vedeniye].

Enterprises will be sold by commercial tender. The main requirement of any purchaser will be to pay off the enterprise's debts. The nonpayment problem will thus be resolved. One other condition is the need to put in a certain minimum amount of investment.

Sergey Belyayev believes that there will be people in Russia willing to buy up insolvent enterprises on these terms. In the opinion of the leader of the Federal Administration, the opportunity to buy up such enterprises will not only be an incentive for the start of a new phase of privatization, but will also be an excellent antidote to the flight of Russian capital abroad. Incidentally, foreign investors will also be able to buy enterprises.

Minister Views Export Liberalization Edict

PM0706090594 Moscow IZVESTIYA in Russian 4 Jun 94 p 2

[Report by Aleksey Portanskiy: "Kremlin Breakthrough in Export Policy Hard To Digest in Ministry Offices"]

[Text] The confused impressions of the revolutionary nature of the president's recently published economic edicts package are being replaced with a sober analysis of their practical points. In the opinion of Foreign Economic Relations Minister Oleg Davydov, the "revolutionary breakthrough" in his sphere could cause more headaches than tangible progress today.

Consistency and gradualness in the liberalization of Russia's foreign trade was defined in the Russian Federation Government's March memorandum on economic policy submitted to the IMF. To wit, as of 1 July it was planned to abolish quotas except for seven important items: oil, gas, electricity, diesel fuel, copper, aluminum, and nickel—for these it was planned to retain quotas at least until the end of 1994.

This memorandum was approved by the government. The Ministry of Foreign Economic Relations followed the memorandum, Minister O. Davydov said. In his opinion we were obviously getting ahead of ourselves with the edict. Because from its more than terse text it could be understood that we have already carried out a virtually 100 percent liberalization of exports. But is that the case today?

A mechanism of currency control over exports, that is over the movement and receipt of profits, has not yet been created. And since that is so, arguments about the leakage of capital out of Russia will be justified. The Ministry of Foreign Economic Relations, the Russian Federation State Customs Committee, and the banks must work out this mechanism by the end of the year.

The application of quotas and licensing affect the export of energy carriers to the greatest extent. Quotas for gas can be repealed painlessly—we have one monopolist, "Gazprom," in this field—and the sale of gas is determined by the throughput capability of the gas pipeline and by demand. As for oil, Oleg Davydov believes that for the exporter the main thing has always been to be on schedule in pumping it through the oil pipeline. And whereas previously quotas were established in the government following the proposal of the Ministry of the Economy and the Ministry of Fuel and Energy, now the same quota allocation system will merely be moved to a greater extent into the pumping system.

In general, the state does not have the right to abandon the tool of licensing, the minister asserts. After all, there are licenses for military equipment, dual-application technology, and so forth. So, without giving a detailed explanation of where they remain and where they do not, one cannot speak of repealing them. Transforming the authorization system for issuing licenses into an application system—that is, easing it—is another matter, but here the mechanism must be retained—that is the position of the Ministry of Foreign Economic Relations.

The fact that exports must be expanded if there is no domestic demand is not doubted. That would be greatly promoted by a reduction of export duties, which are an anachronism. According to the above-mentioned memorandum, we undertook to reduce them by 38 percent in September. According to Davydov, this will provide a considerable incentive: The advantage to the producer

will increase, many goods will become competitive, and our budget will grow more effectively from export profits.

Another anachronism of ours is the institution of special exports, created by the specific nature of our development. But now, with the repeal of quotas and licenses, special exports cannot be abolished, at least until the end of the year. Otherwise, it will be impossible to control export and correspondingly the receipt of profits from export.

The drafters of the president's edict had the correct strategic aim—the liberalization of foreign trade—but in this case they clearly leapfrogged natural and previously designated stages. That is the gist of the foreign economic relations ministers' comments. Nonetheless, the edict will be implemented by the usual means of supplementary documents.

Of course, what has been said does not do away with some questions. The edict was not prepared without the government's participation, and before it was sent for the president to sign Premier Viktor Chernomyrdin signed the document. So the very fact that it has been criticized by a minister is quite out of the ordinary. Let us also add that in the opinion of some independent experts the edict's criticism by the Ministry of Foreign Economic Relations can be explained—the department is defending its own interests connected with the possibility of giving or failing to give permission for the export of raw materials.

Currency Exchange Facilities Issue Forged Documents

PM0606110394 Moscow IZVESTIYA in Russian 2 Jun 94 p 2

[Aleksey Portanskiy report: "Your Authorization To Export Foreign Currency Could Be Forged"]

[Text] If you have decided to go on a foreign trip, taking with you a tidy sum in foreign currency so as not to stint yourself at all when abroad, there is no problem. You can now obtain authorization to export freely convertible currency without any particular difficulty right at the currency exchange facility. But prepare yourself not to faint from irritation at the airport if you are suddenly not allowed through the barrier: Your authorization could be forged.

"Based on the instances recorded by us, 'forged document' criminal cases are being instituted virtually every other day," I was told by Yuriy Afonin, deputy chief of customs at Sheremetyevo-2. "We are seriously concerned by the massive number of fraudulent currency exchange facilities. A completely unsuspecting citizen goes there, buys foreign currency, and the authorization issued to him turns out to be invalid."

Hapless passengers are taking out forty, fifty, or sixty thousand dollars each under these false documents—at Sheremetyevo customs alone these sums apparently run to at least $1 million.

On detecting a forgery the customs officers, as instructed, carry out the necessary investigation: They inspect the foreign currency, question the witnesses, including the foreign currency carrier, and pass the case over to the Air Transport Prosecutor's Office. Then the prosecutor's office conducts an investigation and establishes that the authorization is indeed forged; but it is not that the detained person made an honest mistake—he was completely unaware of the possibility of any violation on his part.

Consequently the victim's money is returned to him. The elements of a crime are not present, because the law considers smuggling to be only that which is done with deliberate intent, that is, when a person was aware of everything and desired the consequences. In an attempt to get to the bottom of a forged authorization, the investigative organs make enquiries at the bank whose requisites appear on the document. But as a rule the latter replies that the authorization in question cannot be found in its records and consequently cannot have been issued. The circle is closed and the case ends.

But it is not only exchange facilities that provide authorizations. Certain citizens with no great respect for the law are not averse to acquiring the coveted chit from dubious types under the counter.

At the beginning of the year the Federal Service for Foreign Currency and Export Control checked out only one of the authorized commercial banks and discovered that tens of millions of dollars in foreign currency were actually being issued there without supporting documents. I was told by the aforementioned service that new checks of both currency exchange facilities and the banks themselves are scheduled for June.

From the viewpoint of the Federal Service for Foreign Currency Control, and especially of the customs service, a considerable share of the responsibility for violations of the foreign currency exchange procedure rests with the authorized banks.

The law-abiding citizen must have the unhindered opportunity to obtain authorization to export legally acquired foreign currency without the risk of being swindled. But now it is better to do this only in reputable exchange facilities which have a full list of the necessary documents and equipment.

Military & Nuclear Issues

Atomic Energy Minister Interviewed

PM0606124594 Moscow KOMSOMOLSKAYA PRAVDA in Russian 4 Jun 94 p 2

[Interview with Viktor Mikhaylov, Russian minister of atomic energy, by Aleksandr Khokhlov; date and place of interview not stated: "Russia's Chief 'Hawk': Bomb Is Useful in the Economy"]

[Text] Viktor Nikitovich Mikhaylov is the creator of Russia's third generation of nuclear weapons. He is 60 years old and was born in the countryside. He graduated from the Moscow physical engineering institute. He is a doctor of technical sciences, a professor, and the author of over 260 scientific works and a winner of Lenin and state prizes. He is the founder of the scientific school for the physics of nuclear explosive fission and the diagnosis of single-pulse penetrating radiation processes. Since March 1992 he has been Russian Federation minister of atomic energy. He gave his recently published autobiography the title *I Am a 'Hawk.'*

[Khokhlov] In recent years only lazy politicians, deputies, and journalists have failed to attack our nuclear scientists and defense industry officials. You actively favor the conservation and development of the military-industrial complex, nuclear power, and nuclear weapons. Does it not seem to you that today this is a voice crying in the desert?

[Mikhaylov] No. Today a change is taking place in Russians' public awareness. Finally it is becoming clear to the majority that in a changing world Russia can be preserved only as a state with progressive technologies, with a powerful industry and modern weapons. The majority of high technologies have been developed and continue to be developed at the scientific centers of the Ministry of Atomic Energy and the State Committee for the Defense Industry. Why kill the goose that lays the golden eggs? We have had enough "revolutions!" And it is very important today to preserve what has already been achieved—in the economy and in the military sphere.

[Khokhlov] But should we continue to produce nuclear weapons, of which Russia already has enough to destroy the world several times over?

[Mikhaylov] No one intends to destroy it. On the contrary, by the year 2003 Russia's nuclear arsenal will have been reduced tenfold. We will have 3,500 nuclear warheads left—highly effective warheads capable of defending the country reliably against any encroachments.

I have believed and continue to believe that nuclear weapons remain the only means of maintaining global stability on earth. Yes, there is an alternative—complete trust in the world. But is that feasible now? I doubt it....

The postwar world was held up on fear of the use of nuclear weapons. That is bad. But would it really have been better for World War III to break out? The USSR has now disintegrated, there is no longer a Warsaw Pact, the Berlin wall has been dismantled for souvenirs. Has the world become more peaceful? No, alas, it has not. Today the new military-political map of the 21st century world has started to take shape. Spheres of influence and the strategic interests of many states and military-political alliances are being reviewed. The terms "global country" and "regional country" are becoming commonplace in politics. I was born in a great country and I do not want to see my motherland a raw-material tributary in the next century. That is my "hawk's song."

[Khokhlov] Then you probably do not greatly welcome the Russian-U.S. accords on the broad-scale reduction of nuclear arsenals?

[Mikhaylov] We saw long ago that there are too many weapons. They must be reduced. But we must have a realistic approach toward the pace of disarmament.

The dismantling of one nuclear warhead costs $100,000. And no one abroad will help us here. They do not have the technical and financial potential, they do not have the technologies. And what politician will allow foreign warheads to be brought into his country and dismantled?

Today Russia is spending up to 1,000 billion rubles [R] a year on the dismantling of the nuclear warheads to be reduced. Developing the scale of this undoubtedly necessary business is an extremely difficult problem. We need investments, enormous investments. And there can be no talk here of any profits allegedly "extracted" by Russia. The agreement with the United States on the processing of weapons-grade uranium over the course of 20 years for use as fuel for nuclear electric power stations is only partial compensation for the expenses we have already incurred by destroying the warheads of Ukraine, Belorussia [Belarus], and Kazakhstan. As a whole, there is still food for thought for the politicians and economists of the whole world.

[Khokhlov] Previously everything connected with nuclear problems was strictly secret. Is the Ministry of Atomic Energy's "iron curtain" being opened today?

[Mikhaylov] We are simply doomed to cooperation with the scientists of other countries. Russia has actively joined in work to create international cooperation in the field of scientific research and the dissemination of new technologies.

We have also started to use foreign investments. A number of developments in the Ministry of Atomic Energy's scientific research institutes and enterprises are financed by foreigners, and the results are being used jointly. In 1993 we attracted about $80 million by this means for additional financing for scientific and technological developments.

[Khokhlov] Will this openness not lead to the leakage of secret information?

[Mikhaylov] We show only what we want to show.

[Khokhlov] And no one tries to "take a peek" at anything? Or to bribe our scientists going abroad?

[Mikhaylov] I am not involved with spies. But competent organs assure me that there are no spies in the Ministry of Atomic Energy system. With an increase in the exchange of specialists there has indeed been an increase in the relevant organizations' intelligence

interest in them. But I think it is not yet known who can "spy" more on whom.... Indeed, it is not my sphere of activity.

[Khokhlov] Not so long ago there was a noisy story about the attempt by a group of our nuclear scientists to leave for North Korea....

[Mikhaylov] They did not include a single nuclear scientist. Another case of misinformation. There is not a single nuclear physicist from the weapons complex who would flee or try to flee Russia. As far as I know, specialists in the development of carriers, that is rocket specialists, intended to go to North Korea.

[Khokhlov] The Americans have now "taken up" North Korea very seriously. In your view, is it a case here of politics or has the Asian state indeed become the possessor of nuclear weapons?

[Mikhaylov] The nonproliferation of nuclear weapons is a very sensitive question. A large group of states is seeking to create nuclear weapons or already has them.

One can say quite confidently that India has nuclear weapons—it has carried out two warhead tests. The Republic of South Africa has admitted that it has "military atomic energy." Pakistan, Iraq, Israel, and a number of other countries deny they have such weapons but are actively involved in creating them. The technological and scientific potential of many states now enables them to design and produce primitive nuclear devices which could be used for military purposes.

[Khokhlov] What is "primitive" for you? For instance, the kind of devices which the United States used in 1945 to destroy Hiroshima and Nagasaki?

[Mikhaylov] Perhaps these devices are even simpler. As for North Korea, I doubt that it could create nuclear warheads in the very near future. Its scientific potential is not high and its technologies are far from progressive. Perhaps there is the accumulation of certain quantities of uranium.

[Khokhlov] Bought from us?

[Mikhaylov] Including some bought from us. But let us treat this as calmly as possible, without strewing our heads with ashes, as is customary now. For instance, we have sold nothing to Pakistan but that has not prevented it from developing its own military nuclear program. Incidentally, West European companies which sold dual-purpose technologies and output helped Iraq very considerably in its nuclear developments. I state absolutely categorically that among the developed states Russia has the smallest contribution to the proliferation of nuclear technologies across the planet.

[Khokhlov] Viktor Nikitovich, let us turn from the "military" atom to the "peaceful" atom. Although since Chernobyl that term sounds ambivalent....

[Mikhaylov] New technologies always involve risk. The Chernobyl tragedy taught us a lot. Questions of the safe operation of nuclear electric power stations are a priority now. But however unpleasant it is to remember Chernobyl, the use of nuclear energy for peaceful creation is the natural path of mankind's progress.

The date of 27 June is the jubilee of nuclear power engineering. The world's first nuclear electric power station was commissioned 40 years ago in Obninsk. Today, 17 percent of electricity on the planet and 30 percent of electricity in Europe is generated at nuclear electric power stations. In our country the figure is 12 percent but in some countries it is up to 80 percent. Incidentally, the economic "miracles" of Japan, Germany, and South Korea are the direct consequence of those countries' use of the cheap energy from nuclear fission. Whether there will be a resurrection of Russia also depends to a considerable degree on our efforts today in the development of this type of energy. Nuclear energy is ecologically clean energy. There is no alternative. The combustion of large quantities of organic fuel leads to the emergence of the greenhouse effect and destroys the planet's ozone layer.

Rapidly developing mankind can retain a sensible compromise with the environment only if nuclear energy is developed. The main thing, of course, is to make it safe.

[Khokhlov] Is something being done?

[Mikhaylov] Russia is cooperating actively with the International Atomic Energy Agency (IAEA). The safety of nuclear electric power stations is a problem for all mankind and the developments of the scientists of any country should serve all people.

Most important in world cooperation has been work to increase the safety of existing first-generation Russian reactors. The United States, Britain, the FRG, and Japan are taking part in this work. A fundamentally new approach—the "station" approach—has been agreed for technical assistance to the safety of Russian nuclear electric power stations, whose implementation has been initiated within the framework of the European Union commission's budget. The "station" approach will be implemented directly at the Kalinin, Balakovo, Kola, Smolensk, Leningrad, and Beloyarsk nuclear electric power stations.

But we nonetheless regard our own developments are the priority ones. There are already plans for stations with their own natural safety. The products of fission at these stations in any unforeseen situations will be localized within the reactor block. An uncontrolled nuclear fission chain reaction is in principle impossible at nuclear electric power stations of the new generation.

[Khokhlov] Incidentally, about nuclear waste. Recently the "greens" have tried to prevent their import into Russia from Finland. Why should our country become the world's "nuclear garbage heap?"

[Mikhaylov] This is all idle talk: Russia is allegedly putting a time bomb under itself. The Soviet Union has constructed several nuclear electric power stations abroad and the waste at these stations can be stored for no more than five years. Under the terms of treaties with Bulgaria, Finland, Hungary, and the Czech Republic Russia, as the USSR's legal heir, is continuing to import it and process it at enterprises of the Ministry of Atomic Energy.

[Khokhlov] Where exactly?

[Mikhaylov] Where the fuel was produced—near Krasnoyarsk, Tomsk, and Chelyabinsk. After special processing the nuclear electric power station waste is enclosed in glass and stored in concrete bunkers. That is absolutely safe for people and the environment.

[Khokhlov] A sudden earthquake?

[Mikhaylov] We do not expect earthquakes in the places where nuclear electric power station waste is stored for the next millenium. In 1,000 years time, is some cataclysm were to occur, the processed nuclear fuel will no longer present a danger.

New methods are now being developed for destroying nuclear waste—its burning in special devices and its use in fast-neutron reactors.

[Khokhlov] But can you explain why then Finland is reluctant to bury the waste from its "Lovisa" nuclear electric power station somewhere in the tundra and is exporting them to us?

[Mikhaylov] It does not have the conditions and technology for processing; we do. And it is economically advantageous for Russia to accept waste! They pay for it, they pay very well. A fight is now under way on the nuclear waste market between the United States, France, and Britain. Russia is also taking part. It means big money, which we invest in, inter alia, the improvement of the safety of Russian nuclear electric power stations. Incidentally, the Finns are already considering whether to pay us money or to keep their waste in their own country.

[Khokhlov] Does Russia bear responsibility for the safety of nuclear electric power stations in CIS and Baltic states?

[Mikhaylov] No. Since the collapse of the USSR these have been domestic problems for sovereign states. Politicians treat this very zealously. But we Russian nuclear scientists are open to cooperation with everyone. Armenia has decided to resume the operation of its nuclear electric power station—we are helping.

[Khokhlov] One more problem connected with the collapse of the USSR: An underground nuclear charge ready for explosion remains in Kazakhstan. What will happen to it?

[Mikhaylov] We are preparing to dismantle the driving mechanism [zabivochnoye ustroystvo] and we shall either remove the nuclear device or destroy it on the spot. It is small in terms of yield—less than one kilotonne. It is not a military charge but a simulator. Anticipating a question about the ecology, I shall say there will be no problems.

[Khokhlov] On the other hand, it seems many problems are arising in connection with the raising of the sunken nuclear-powered submarine Komsomolets?

[Mikhaylov] The din raised over this submarine in my opinion is in direct proportion to the sums which certain groups of people could obtain for carrying out the raising operation. There is a very great deal of speculation surrounding the Komsomolets and its nuclear "stuffing...."

Raising a ship from such a depth and under such extreme conditions is impossible. I said so back in 1992. Especially as there is no need. There is no leakage of plutonium—all the tests show that. We should leave the Komsomolets on the sea bed. The ship will disappear into the silt and nature itself will do a better job than people of neutralizing the nuclear weapons in it.

[Khokhlov] How many people are now employed in the Russian nuclear weapons complex?

[Mikhaylov] Over 100,000. These people are one of Russia's chief resources. Unfortunately, they are now having quite a difficult time living and working. The total "marketness" into which they have tried to push the nuclear sector, the shortage of funds and our utterly primitive conversion have markedly reduced the return from both science and industry. The sector's steady development can be achieved only with state economic regulation. Yes, we can produce the world's best saucepans which will be competitive on markets from Africa to America, but do we really need to enter the new century with saucepans?

In the very near future only those countries in which high technologies are developed will be able to live properly. I want Russia to be one of them.

[Khokhlov] In June the Russian defense industry intends to go on strike. Will the nuclear scientists support them?

[Mikhaylov] We are forbidden by law to go on strike.

[Khokhlov] What is the average wage in the sector now?

[Mikhaylov] In the industry, specialists receive an average of R230,000, at a nuclear electric power station they get R420,000. Our scientists are poorer—the average salary is R150,000. It is true that we have been able to increase wages at the Arzamas-16 and Chelyabinsk-70 federal nuclear centers to R250,000. In 1993 some 6-8 percent of what were not the worst specialists left the Ministry of Atomic Energy for commercial structures. A pity.

But it is surprising that given the miserly salaries and the paltry "grants" from the state budget for the development of science and industry, given the fact that fixed capital is more than 50 percent worn out, the Ministry of Atomic Energy is working with an exceptional return. On many salients we are still "ahead of the whole planet." Research and applied work is under way in the field of nuclear physics, high-energy and superconductivity physics, thermonuclear fusion, and electronics.... Only patriots can work in these conditions. If the sector is allowed to survive now it will be of enormous benefit to Russia.

[Khokhlov] Viktor Nikitovich, no one has yet denied the famous formula "if you want peace, prepare for war." Our first atom bomb was created by Kurchatov, our first hydrogen bomb by Sakharov, and third-generation weapons are our "baby." Is the appearance of a new type of weapon in the very near future possible?

[Mikhaylov] I think so. If mankind is unable to renounce military atomic energy completely, then such a weapon could appear by the year 2000.

[Khokhlov] How will it differ from existing models?

[Mikhaylov] The nuclear warheads now available are usually called highly effective. The new, fourth, generation will be guided weapons [napravlennogo deystviya].

[Khokhlov] Can you predict who the inventors of this weapon will be—Russian or U.S. scientists?

[Mikhaylov] It is hard to say. Breakthroughs in science depend little on the economic or political situation in a country. And our scientists' brains work no worse than those of the Americans.

[Khokhlov] What does Russia's chief "hawk" dream of?

[Mikhaylov] Of peace. But we still have a powerful struggle for it.

Union Leader: 'Atomic Industry on Brink of Stoppage'

LD0606135394 Moscow ITAR-TASS in English 1309 GMT 6 Jun 94

[By ITAR-TASS correspondent Marina Barinova]

[Text] Moscow June 6 TASS—"Russia's atomic industry is now on the brink of stoppage", Vladimir Startsev, chairman of the Central Committee of the Russian atomic energy industry trade union, told a news conference on Monday. He said that the precarious situation that developed in the nuclear energy complex resulted from non-payment by the Russian Grid joint-stock company for the electricity received from nuclear power stations. The company ran up a debt of 674 billion rubles.

Planned work to ensure safe operation of nuclear power stations had to be stopped because of the lack of funds. Unless the situation changes, the Balakovo nuclear power station will have to be shut down for safety reasons in June. The station's operators salaries are in arrears for three months. "Operators are despairing and the situation may get out of control any time", Startsev said.

The work of the entire nuclear fuel cycle is paralysed by the lack of funds, Lev Ryabev, Russian first deputy minister of nuclear power, told reporters. Production amalgamation "Mashinostritelny Zavod" stopped the manufacture of clusters of fuel elements. The Chepetsk mechanical plant producing zirconium was stopped. There is a similar situation at complexes in Krasnoyarsk-26, Tomsk-7, Kirovo-Chepetsk and at nuclear machine building plants.

It will be necessary to lower the capacity of power generating sets at nuclear stations to prolong their operation with the use of whatever fuel remains, Ryabev said. If a nuclear power plant is shut down, it will take seven to ten years for reactors to cool off. Fuel storages will have to be maintained in a safe state. This will require the consumption of large amounts of electricity, and hence huge outlays.

In view of the fact that funds needed for the maintenance of normal operation of stations are not allocated, the Russian Ministry of Nuclear Power Industry and the Central Committee of the trade union made a proposal to the State Duma to envisage the allocation to nuclear power stations of 560 billion rubles from the budget on easy terms when the Russian budget for 1994 is finally drawn up. If this proposal is not accepted, it will take a much larger sum, over one thousand billion rubles, to shut off nuclear stations.

Nuclear-Powered Cruiser's Completion Expected

PM0606131894 Moscow KRASNAYA ZVEZDA in Russian 3 Jun 94 p 1

[Vladimir Maryukha report: "Petr Velikiy Should Join the Russian Fleet in Time for Its 300th Anniversary"]

[Text] On the eve of its 300th anniversary the Russian Navy has been beset by economic adversity like a "wolf pack" (a tactic employed by German submariners during World War II—author's note). Large surface ships with powerful arms enabling them to perform a broad range of tasks have ended up the most vulnerable and, as is the case in any war, the most tempting "targets," albeit only financial.

At one time there were not even the funds to finish construction of the last in a series of four ships—the nuclear-powered missile cruiser Petr Velikiy. The hull of the fifth ship in this class was cut to "ribbons" shortly before the scheduled commissioning of the Petr Velikiy. Thus, the ship bearing the name of the founder of the regular Russian Navy has turned out to be the last cruiser that the Navy hopes to receive in the coming years.

Instead of taking to the seas back in 1991 the Petr Velikiy was "frozen" in the waters of the Neva until last spring. Then in April 1993 First Deputy Defense Minister Andrey Kokoshin personally took charge of the allocation of funds for the cruiser's completion. Certain representatives of Russia's business class also displayed commercial patriotic sentiments. Thus, the leadership of "Inkombank" expressed the desire to donate 10 million rubles to the ship's construction—free of charge—reviving the traditions of Russian patronage and sponsorship of science and the state's defense programs. Just over a year later, last May, the State Duma Committee for Defense took charge of the Petr Velikiy's completion. At working level—according to the Russian Defense Ministry Press and Information Directorate—the work is being monitored, in light of the extremely limited military budget, by the Defense Ministry leadership, the Navy command, Viktor Glukhikh, chairman of the Russian Committee for the Defense Sectors of Industry, and other officials who have been aboard the ship.

What is the significance of the ship, completion of whose construction the Russian Defense Ministry describes as the priority in shipbuilding in recent years? Conceived in the late sixties, the nuclear-powered missile cruiser first took concrete shape in 1980. Since then the state maritime interests of first the Soviet Union and then Russia have gained a major defensive tool—with unlimited range, autonomy, and highly powerful armaments. But Russian construction schedule overruns are unknown to foreign navies, and the United States now regards its Navy as the only one to hold sway in the oceans of the world. The Petr Velikiy is necessary today in order to talk to them on an equal footing and in order to ensure that Russia's shipbuilding industry does not break up once and for all.

For three years now KRASNAYA ZVEZDA has been keeping a careful eye on the fate of the cruiser, on which the "Baltiyskiy Zavod" Joint-Stock Company, under the direction of chief construction worker Gennadiy Starshinov, is completing the installation of equipment and arms. Regrettably, we did not in the past succeed in inducing our rich fellow citizens to provide material assistance in the completion of the Varyag, although the poor were willing to give their last cent to produce the Navy's last aircraft carrier. But international relations intervened then and the Varyag ended up outside Russia. The Petr Velikiy is within Russia's borders and the schedule for the completion of the work on it has stabilized, although the pace of the work is slower than what is desirable. Nevertheless, the cruiser can be expected to start mooring trials and a shakedown cruise this year and it should certainly be commissioned in time for the 300th anniversary of the Russian Navy. However, it would still be in order for entrepreneurs to help with its completion. This tradition—patronage of new ships—is worthy of revival, just as a powerful ocean-going Russian Navy is worthy of revival.

Servicemen Union, Defense Ministry Sign Accord

PM0606112594 Moscow IZVESTIYA in Russian 3 Jun 94 First Edition p 1

[Report by Nikolay Burbyga: "Independent Trade Union of Servicemen Makes Friends With Defense Ministry"]

[Text] A cooperation agreement has been signed between the independent trade union of servicemen and the Defense Ministry.

According to Mikhail Kolchev, chairman of the trade union, everyone will benefit from this step, but above all former military men who were forced to retire due to army cuts. This year alone more than 180,000 officers will be leaving the army, and each subsequent year the plan is to cut 50,000 officers. The independent trade union's task is to uphold these people's interests and provide them with social and legal protection. An agreement of this kind has been signed not only with the Defense Ministry, but with other power ministries as well.

Federal Assembly

Shakhray Urges Federation Council To Back Abkhazia Force

PM0606133394 Moscow KRASNAYA ZVEZDA in Russian 4 Jun 94 p 2

[Vitaliy Denisov and Aleksandr Pelts report: "Deputies Refused To Send Peacemakers Immediately. However, Vice Premier Sergey Shakhray Believes This Is Essential"]

[Text] The Federation Council debate over the immediate introduction of Russian peacemaking forces into the Georgian-Abkhazian conflict zone was pretty stormy. Even after deputies had been addressed by Russian Deputy Foreign Minister Boris Pastukhov, they were unable to adopt a decision and continued the discussion "behind closed doors." Ultimately the parliamentarians backed the viewpoint put forward by Petr Shirshov, chairman of the Federation Council Committee for Security and Defense Issues, who believes that the president's appeal for the immediate introduction of peacemakers into the conflict zone lacks an adequate legal base. Petr Shirshov said that the Federation Council does not have the requisite documents to enable it to approve the introduction of Russian peacemakers there.

Despite this, Russian servicemen's participation in settling the conflict is rather the question of the day. Russia has to send peacemakers into the conflict zone. That was the opinion voiced by Vice Premier Sergey Shakhray. He believes that lack of information, notably about the sources of funding for these forces, was the reason why the Federation Council deputies were unable to adopt a decision regarding the introduction of troops. "The

executive and the legislature must work on this question together," Shakhray stressed during a conversation with a RIA correspondent.

The Georgian Defense Ministry press service reported that during the night of 2 June Abkhazian formations breached the cease-fire agreement by firing artillery shells at Georgian positions in the Dalskoye Gorge for 40 minutes. The Georgians refrained from retaliating.

Meanwhile, the Abkhazian Defense Ministry reported that for two days now Georgian formations have been methodically bombarding Abkhazian positions in the Kodor Gorge with all manner of automatic weapons.

It is worthy of note that mutual accusations are being exchanged ahead of the adoption of a definitive decision regarding the introduction of CIS peacemaking forces into the conflict zone. Experts and observers think that each side is thus trying to create a certain image that will enable it in the future to actively influence the essence and substance of the peacemaking mission in Abkhazia.

Defense Ministry Representative on Military Budget

LD0706083594 Moscow ITAR-TASS in English 0815 GMT 7 Jun 94

[By ITAR-TASS correspondent Anatoliy Yurkin]

[Text] Moscow June 7 TASS—The armed forces cannot exist as one of major elements of Russian statehood without a minimally sufficient and steady financing, Major-General Vladimir Osadchiy, representative of the Russian Defence Ministry, told ITAR-TASS. A military budget to be discussed in its second reading at the State Duma hearings on Wednesday may become the last one for the army and navy, he stated.

Osadchiy said deputies in State Duma factions and committees are being intensively coached and calculations by Sergey Glazyev, who found additional sources of revenue to finance defence spending, are being severely criticised.

General Osadchiy believes that Tuesday's press conference of Petr Shirshov, chairman of the Federation Council committee on security and defence, is to demonstrate the Federation Council's stand once again.

The Council declared for an increase in military expenditure, taking into account both inflation and an utter necessity to buy hardware and arms, pay money allowance to servicemen, and cater for soldiers and seamen.

If the State Duma on Wednesday fails to heed the Federation Council's recommendations, this military budget may become the last one for the armed forces, for they would not be able to exist as one of major elements of Russian statehood without a minimally sufficient and steady financing, General Osadchiy said.

Duma Aide on Deputies' Status, Privileges

PM0606084594 Moscow ROSSIYSKAYA GAZETA in Russian 1 Jun 94 First Edition p 2

[Interview with Vladimir Bauer, chairman of the Committee To Organize the Work of the State Duma, by Yevgeniy Skukin: "New Premises To Bring No Joy"]

[Text] [Skukin] Vladimir Anatolyevich, can one congratulate the Duma on another move?

[Bauer] Hold your horses. Neither the Economy Ministry, nor the State Committee for Construction, nor the Moscow trade unions are in a hurry to leave the premises that are being transferred to us, thereby showing their contempt for the president's edicts and the government's decrees. In the end they even organized pickets.

[Skukin] Maybe there is simply nowhere for them to go?

[Bauer] All these organizations have been given sufficient space. Viktor Stepanovich Chernomyrdin promised to personally supervise their move.

[Skukin] But when they finally go, will the deputies have all they need for their work, what they were so badly lacking in the former CEMA building?

[Bauer] Of course, we will not achieve the conditions the old parliament had in the White House. The State Planning Committee building is a purely ministerial building; what you don't have here, for example, is the facilities to receive visitors and for deputies to relax properly. But it will be more comfortable than it was! When we get the full 28,000 square meters of space each deputy plus assistant will have a separate room measuring 17-18 square metrrs, with a telephone and internal communications. In short, working conditions are perfectly suitable for the transitional period.

[Skukin] There are many and various rumors about the extraordinarily high cost of the upcoming refurbishment of the building. Would it not be cheaper to put up a new building?

[Bauer] We are very well aware that the construction of a new parliamentary center would be a very expensive luxury. So we are moving here without any refurbishment, and the Duma adopted a special decision on this, for the express purpose of avoiding any misapprehension. We only had to sort out the conference hall: Install the electronics and all that is needed for work.

[Skukin] But what did it cost?

[Bauer] The total cost was set at $8 million. The planned cost of a new parliamentary center was around $500 million. I believe both the president and parliament will return to this question in time, because the country, of course, needs a proper, modern parliamentary center. At the moment we simply cannot afford one.

[Skukin] The State Duma is accused of adopting too few of the laws everyone wants.

[Bauer] More than 50 laws are waiting in the wings. They have already been scrutinized at committee level, and all the necessary consultations have been conducted. But need we be hasty in such crucial work? Anyway, the task is impossible: To adopt 200 laws in two years. It is unrealistic. Nonetheless, I believe the Duma has the potential to fulfill the hopes pinned on it by the voters. The main thing is that the documents we adopt should not be divorced from life and should be fully functional.

[Skukin] But the Duma law on the procedure for media coverage of the activities of the organs of authority was seen by many journalists as a blatant assault on their right to comment freely on the power structures' activities.

[Bauer] I am opposed to regulation of press activities. Anyway, you have the courts, which are supposed to be the real regulators of interrelationships. But that is something we are not used to at the moment. As a result, the press's financial dependence on the organs of power, without any law, has already made them totally subject to the executive authority. Most provincial papers are becoming toothless. I fear that the same fate lies in store for the central press. Attempts to criticize the administration are blocked by the editorial collectives themselves, worried about their survival. But I believe there must be criticism of state authority; not abusive, though. Abroad, for example, there is a very high level of criticism of parliamentarians, but there is also a high level of media responsibility. Here, social consciousness acts in one sphere only—ferreting out the deputies' shortcomings and revealing their inadequacies. In so doing I believe journalists are demeaning themselves: The deputies were elected by the Russian people with the help of those very same Russian media.

But I hope that now, with the move to what is for us a new building, we will see a new stage in the State Duma's work. And the media will not only record this in their pages but will do their utmost to promote it.

[Skukin] Vladimir Anatolyevich, the president's letter commenting on the law on the status of deputies talked of certain privileges that would be unlikely to meet with the approval of voters and taxpayers. At a recent Duma session, Georgiy Satarov, the president's assistant, listed a number of privileges current deputies have which former deputies did not have.

[Bauer] The president's letter was commenting on the law on the status of deputies adopted by the State Duma and, I stress, approved by the Federation Council. It is a bicameral decision, so we have a common view of all the law's provisions. Accordingly, all these norms relate to the deputies of both chambers. But the general tenor of the comment suggests that the privileges are excessive, and the criticism is directed mainly at the State Duma deputies.

[Skukin] OK, but let us deal with the facts cited by the president's assistant. The status of the former deputies did not stipulate, for example, that parliamentarians should be paid for the entire term of election in the event of the dissolution of the legislative body.

[Bauer] True, that norm was not in the standing orders of the former Congress of People's Deputies. But our former mentality did not even contemplate the possibility of the enforced dissolution of parliament. The makers of this law were merely reacting to the changed situation. Incidentally, we did not exceed by much the normatives for state employees dismissed in line with staff cuts or as a result of reorganization. It is a morally justified norm. A deputy was elected for two years and this became part of his life plan—on giving up what was in many cases an important post.

[Skukin] In the old law there was nothing about government-level medical services....

[Bauer] But the old deputies certainly had use of them. Anyway, why shouldn't a deputy, elected by hundreds of thousands of people, ask for the same medical services as a government official?

[Skukin] According to G. Satarov, the payment of expenses for travel to Moscow is a new privilege, and if a deputy is not provided with an apartment he gets a loan in order to be able to acquire and own accommodations.

[Bauer] I can definitely say that most deputies elected to represent the provinces are living in conditions that are demeaning for a parliamentarian. Knowing the practice in some foreign countries in this matter, I can say that nowhere are out-of-town deputies treated in this way. Despite the norms of the law—the granting of official housing for a three-month period, without privatization rights—out-of-town deputies have practically no prospect of living in normal conditions. It will soon be six months since we were elected. You get family men with children living in hotels. And anyone who has lived in a hotel will know full well that there are no conditions there for relaxation, for preparing food, for the children to do their homework. Finding ourselves in a difficult situation, we were forced to seek a solution. In my view, if a deputy were to be allocated compensation within the bounds of what is spent on a hotel and the state were to be spared the worry of housing him, it would benefit both the state and the deputy.

[Skukin] Vladimir Anatolyevich, how do you see the increase in the number of deputies' assistants?

[Bauer] Yes, the number has increased. But it should not be forgotten that the electoral district is three or four times bigger. There used to be seven or eight districts per million inhabitants, but now there are only two. Some deputies represent around 20 rural rayons and others were elected to represent cities with populations of 500,000 and more. Without assistants it is simply impossible to keep in touch with the people while doing a professional job in the Duma. The umbilical cord, figuratively speaking, will be cut. And that's that, the deputy is finished.

Incidentally, we clearly pointed out in the law that up to five assistants were permitted, but with only one working in the State Duma and the rest in the provinces. This is not a privilege at all, in fact it is now much easier for voters to contact a deputy.

[Skukin] How are events developing at the moment?

[Bauer] I am impressed by the fact that the president found a mutually acceptable procedure, signed the law, but asked the State Duma to take a sympathetic view of his comments. The conciliation commission, on which both chambers and the president are represented, is now functioning. I am head of its Duma part. If we fail to persuade the president's side that the particular norms are adequate, we will incorporate the president's comments in the law as amendments. Incidentally, so far there have been no complaints about unrealistic privileges from the State Legal Administration under the president. Comments have been made mainly in connection with certain changes in constitutional norms.

Duma Calls for More TV Coverage

PM0606102994 Moscow IZVESTIYA in Russian 3 Jun 94 p 9

[Report by Marina Denisova: "The Uncertain Future of Parliamentary Television"—from IZVESTIYA-TV section]

[Text] Last week the State Duma decreed the setting up of its own television and radio service. It was a difficult process, it took a number of votes, and was passed by 10 votes in the end. Viewers have not yet forgotten "Parliamentary Hour," which for the people was synonymous with a very boring and biased political program imposed from on high. Will history repeat itself and replicate a failed experiment? The days when parliamentary spectacles replaced shows for the people are past. The State Duma deputies are probably aware of this. Nonetheless...

Yuliy Nisnevich, chairman of the parliamentary Subcommittee on Computer Science and Communications, commented on the State Duma decree at the request of IZVESTIYA-TV:

[Nisnevich] Among deputies there are two entirely different approaches to the creation of a State Duma television and radio service. One group believes that it must form its own full-fledged television and radio company. This is clear from the adopted decree and from the amendments to the law in preparation "On Coverage of the Work of State Organs of Power in the State Media." For example, amendments of the following kind: The State Duma press service must have direct access to the airwaves.

But there are deputies who hold a directly opposite view: This television and radio service should be a department of the Duma press service dealing with such technical matters as television and radio recording of sittings of our parliament and its committees and commissions and compilation of archive material so that any journalist or interested organization can obtain these materials to work on.

All is not straightforward. The thing is that there is nothing in the Constitution entitling the State Duma to make decisions like the creation of its own television and radio company. Legally any state company can ignore this decree.

We have encountered manifestations of a public struggle for the airwaves. Some deputies believe that television provides insufficient coverage of their activities and their attitudes are unknown to society. So they want to have their own airtime and say what they see fit.

A draft decree was submittd by deputies from the Democratic Party of Russia—Travkin's party. It is actively supported by the Communists and the LDPR [Liberal Democratic Party of Russia], which periodically organizes actions in the State Duma in connection with the fact that the party is not being given airtime.

"Russia's Choice" and "Yabloko" [Yavlinskiy bloc] are of the opposite view. The PRUA [Party of Russian Unity and Accord] and "12 December Alliance" partly share the same platform. The democratic factions believe that the task is not to create their own television and radio company, but to be given the opportunity to talk about events taking place in the State Duma in proportion to the coverage of the activities of the government and the president. Unfortunately, the balance is actually upset at the moment. The State Duma's work is not reflected objectively enough and in sufficient detail on television. For example, the Duma took a very significant step when it adopted on first reading part of the Civil Code. This is effectively the "foundation" of legislation, but our television and radio companies somehow pass by such significant matters without informing viewers and listeners of them.

If there is an important event taking place in the Duma, society must be kept informed, perhaps with comments by the leaders of various factions. We need programs that promote the inculcation of the ideas of parliamentarianism within society. We can manage without rigid, fixed airtime for parliamentarians. But a clear understanding is needed. All deputies and factions must be treated fairly.

We believe that all deputies with different views must have equal opportunities to appear on television, regional as well as central.

The decree on creating the television and radio service was put to a vote repeatedly. When the LDPR faction stormed out of the hall there were obviously not enough votes. But the "Women of Russia" faction then played its part: First the deputies wavered, but in the end they voted for the motion.

Our committee has now been instructed to elaborate a blueprint for television coverage of parliament's activities. Of course, the Duma will now seek to create its own television and radio company. But it will cost an enormous amount, millions of dollars! The Duma is unlikely to be allocated that kind of money.

Will "Parliamentary Hour" return on the "Rossiya" television channel? That depends on how the All-Russian State Television and Radio Company conducts itself. As I said before, according to the legislation, it need not play these games. Most likely some compromise will be found.

In my view, this decree is another excuse for speculation by representatives of the various factions, for another political spectacle. [Nisnevich ends]

The deputies' wish to have their own television company is understandable, although it looks to the public like a strange caprice. They will probably want to take the money to set it up out of the state purse. But the government has failed of late to find sufficient funds to finance existing state television companies. Television is being called "destitute." In this situation the creation of a television and radio service to satisfy the deputies' vanity is another piece of political nonsense. Unfortunately, we have gotten used to this kind of thing, grimly waiting for the moment when sober-mindedness and common sense prevail.

Regional Affairs

Khasbulatov Denied Chechen Residency

LD0606114994 Moscow INTERFAX in English 1022 GMT 6 Jun 94

[Text] The Chechen authorities have denied ex-speaker of the Russian parliament Ruslan Khasbulatov the right to live in their republic. During a joint meeting of the Chechen government, parliament and security council, the residence right was also denied to some Chechen opposition leaders engaged in illegal activity.

The Chechen Foreign Ministry told Interfax that the list of people accused of anti-Chechen activity and collaboration with the Russian imperial forces included Doka Zavgayev, the last Chechen-Ingush Communist Party leader who lives in Moscow, and Yaragi Mamadayev, the head of the Government of People's Trust he has established on his own.

The joint session adopted a resolution which says that the leaders of the opposition, in conjunction with the Russian leadership, had drafted plans for the elimination of independent Chechnya.

It also says that these plans included the introduction of a state of emergency in a part of Ingushetia's Sunzhen and Malgobek regions bordering on Chechnya, and the attempted assassination of President Dudayev.

The Chechen Foreign Ministry also alleges that on the eve of the opposition congress, which was to be held last Saturday in Chechnya's Nadterechnyy Region, Russian troops were concentrated near the Chechen borders, and 26 helicopters were put in a state of combat readiness in North Ossetia.

"The aggressive plans were a failure because the congress was not held in the absence of the quorum," said a representative of the Chechen president's staff.

Chechen Politician Denounces Ban

LD0606170794 Moscow ITAR-TASS in English 1522 GMT 6 Jun 94

[by ITAR-TASS correspondent Mikhail Shevtsov]

[Text] Moscow June 6 TASS—Chechen opposition leader Yaragi Mamodayev denounced Sunday's decision by the Chechen government and parliament to ban former Russian parliament chairman Ruslan Khasbulatov from the republic.

The decision also affects former Chechen communist leader Doka Zavgayev.

In an interview with ITAR-TASS on Monday, Mamodayev said that "instead of seeking reconciliation, Dudayev's regime takes steps causing the situation to worsen."

He also brushed off accusations of alleged involvement, together with Russia, in preparations to remove Dzhokhar Dudayev from power. "We do not want confrontation or opposition between various parts of the Chechen population. We call for reconciliation and political dialogue," he said.

Mamodayev stressed that the way out from the current crisis is through a constructive dialogue and the soonest possible economic reform.

Groznyy Officials Accuse Moscow of Occupation

MK0706093094 Moscow SEGODNYA in Russian 7 Jun 94 p 2

[Natalya Gorodetskaya report under the "Caucasus" rubric: "Groznyy Accuses Moscow of 'Stage-By-Stage' Occupation"]

[Excerpt] Moscow's silence on the repeated statements by Groznyy officials to the effect that the Chechen-Russian talks should be held at the foreign ministry level, or—better—at the presidential level, makes leaders of the Chechen Republic nervous and suspect Russia of nurturing "plans of occupation."

Shortly before a Chechen opposition congress, which was set for 4 June in Nadterechnyy Rayon, which does not take orders from the president, the republic's state security department stated that this congress was prepared by Russia's Foreign Intelligence Service as yet

another stage in the "stage-by-stage occupation of Chechnya." In Groznyy's view, the preceding stages included the introduction of a state of emergency on part of Sunzhenskiy and Malgobekskiy Rayons of Ingushetia, which border on Chechnya, and the failed attempt on the life of Dzhokhar Dudayev.

The congress, according to the forecasts of Chechnya's state security department, was supposed to lend legal status to the Temporary Council created by the opposition in winter 1994. This was to be followed by the opposition's appeal to Russia that it recognize this organ and support it with military force under any pretext. The "puppet" Temporary Council would then sign the Federal Treaty of the Russian Federation which would amount to Chechnya's becoming part of the Russian Federation. Shortly before the congress, as Chechnya's Foreign Ministry maintained, Russian troops were brought to the republic's borders, while on the territory of North Ossetia 26 combat helicopters with special subunits ready for aggression were on full combat alert. The opposition congress, however, did not take place on 4 June "due to the absence of a quorum," according to a representative of the Chechen Republic president's staff. [passage omitted]

N. Caucasus Association Could Have 'Stabilizing' Role

PM0606104094 Moscow ROSSIYSKIYE VESTI in Russian 2 Jun 94 p 4

[Gennadiy Sobolev report: "Lever of Equilibrium. Kalmykia, Crimea, Abkhazia, and South Ossetia Have Joined the 'North Caucasus' Association"]

[Text] "The past does not divide us, it merely reminds us that the future of Russia and the Caucasus are entwined.... Recognizing that the Caucasian war was a tragedy for all the peoples of the Caucasus, we must strive for cooperation, mutual understanding, and peace in the region." These were the words of Nikolay Yegorov, speaking for the first time as Russian minister for nationalities affairs, at a rally in Nalchik. It is well known that in Krasnodar Kray, whose administration he used to head, he actually managed to prove that such mutual understanding is possible: Interethnic conflicts were avoided in this area where representatives of various peoples live. It is no accident that it was Yegorov's idea to assemble the political leaders of the North Caucasus at a major council which would enable them to pool their resources in order to tackle common tasks more effectively.

The next step on this road was the conference of the "North Caucasus" Social and Economic Cooperation Association held just the other day in Krasnodar; this was attended by official delegations from the region's republics, krays, and oblasts, as well as representatives from Volgograd Oblast, Kalmykia, Crimea, Abkhazia, and South Ossetia.

Association Chairman Nikolay Pivovarov announced that at the conference Kalmykia was granted permanent membership of the "North Caucasus" Association, and Crimea, Abkhazia, and South Ossetia were granted associate membership.

Vladislav Ardzinba, chairman of the Abkhazian Supreme Council, announced that "the Abkhazian leadership opposes the division of the Caucasian peoples by new state borders" and supports "the restoration of comprehensive ties that have been broken off." Consequently, he expressed his satisfaction that Abkhazia has been granted associate membership of the "North Caucasus" Social and Economic Cooperation Association.

For its part, Crimea too needs effective contacts with neighboring regions of the Black Sea coast. There are plenty of reasons for this, one of which is the problem of the Crimean Tatars which has flared up recently. Suffice it to recall the recent speech delivered in Simferopol by Mustafa Dzhamilev, chairman of the Crimean Tatar People's Assembly. At the present time, he stated, thousands of Tatars returning to Crimea "find themselves in a tragic and frightening situation." At the same time, in his opinion, certain difficulties are being artificially created by forces "which advocate the idea that Crimea belongs to Russia."

Bearing in mind that, according to some reports, the Crimean Tatars are starting to receive weapons illegally from Turkey, it is clear that the unpredictable "Tatar factor" could become the catalyst for a major conflict on the peninsula. And the position of the North Caucasus republics, united as they are in a social and economic cooperation association, could serve as a stabilizing lever of equilibrium in Crimea given their religious affiliation.

Rutskoy Seen Gaining Support in Regions

PM0606131594 Moscow ROSSIYSKIYE VESTI in Russian 3 Jun 94 p 2

[Correspondent Viktor Chemodurov "Commentary": "Rutskoy Attacks the Provinces"]

[Text] Kursk—Aleksandr Rutskoy has been spending a few days in Kursk, combining the celebration of his mother's birthday with a series of public speeches to the people of his own region. The character of the speeches is not in doubt: The former vice president has launched an energetic campaign to win votes in the future presidential election. He is doing so, moreover, in the provinces, which to a large extent will determine the outcome.

The former vice president now states in plain terms only one or, to be more precise, two interrelated goals: Repealing the current Constitution and holding an early election. He has said not a single word about any intention on his part to run when the time comes, but that does not, of course, mean that there is no such intention. That intention is clear in every word uttered by the garrulous orator, who adroitly brought the audience at the Khimvolokno joint-stock company's culture

complex around to the idea that no better "savior of Russia" than he is to be found. And he did so by the method of negation, so to speak.

It was a rare politician who did not get a mention in his impassioned monologue, and it turns out that there is indeed no one worthier than Aleksandr Vladimir in Russia. Scathing, off-the-cuff descriptions were dished out right and left. There was no need to say anything even about our currently thriving president or the "Yeltsin gang"—for them there is only "one route, the route to the cells." Viktor Chernomyrdin, the "presidential appointee," repeats over and over his favorite saying "let's work, let's work," but does nothing.

The former vice president's vocabulary has become substantially richer of late as regards the democratic reformers. Many newer descriptions have appeared to supplement widely known ones such as the "kids in pink pants". For example, the minister for nationalities questions is suspect because he "only learned to blow his nose five years ago." And how, the orator asked, "was it possible to entrust the economy to someone who has never held anything except a spoon, a fountain-pen, and perhaps one other thing in his hands?!" Guess who?

Roughly the same was said of representatives of the various shades of opposition. The name "Travkin-Murkin" (my apologies, I merely quote—V.Ch.) is reinforced by the image of a weathercock. Ivan Rybkin "has trimmed to fit the mold." While Gennadiy Zyuganov is blameworthy because Rutskoy saw him on TV on 2 October last urging the population to refrain from demonstrations or other dangerous acts.

And so it went on. I apologize to all the people mentioned here for citing these coarse insults. I do so only because readers and voters should know what language our head of state will be using with Russia and the rest of the world if Rutskoy fills that role.

And the fear does exist, after all, that he could. At any rate, it should not be discounted. The "democratic" language of the barrack room, spiced with populist views on politics and the economy, falls on fertile soil and does go down well, you know. At the Khimvolokno joint-stock company's culture complex, the hall, designed to hold 700 people, accommodated at least twice that number, and thousands were left outside to listen through loudspeakers. It would be bad enough if they had simply listened and formed critical judgments, but they excitedly applauded passages in Rutskoy's speech....

Clearly, aware himself of a certain similarity, Aleksandr Vladimirovich deemed it necessary to stress his difference from Zhirinovskiy, and he did this, of course, in his own inimitable way: "You mustn't bamboozle people as Vladimir Volfovich does; I have told him repeatedly: Cool it, man, cool it!"

Of course, Rutskoy acts much more subtly and adroitly than Zhirinovskiy. On the whole his speech produced a perfectly seemly impression. Everything looks as if it is dictated by great concern for the country's future and for the people and is emotional only for that reason. And even the coarse language that spilled off Aleksandr Vladimirovich's lips caused a hum of approval: Everyone understood that he spoke from the heart—the disgraceful things going on around us are more than a person can endure! Moreover, it turns out that this person is simple and down to earth.

Great doubt arises, however, as to whether there is a fundamental difference between the "concepts" of Rutskoy and those of Zhirinovskiy. True, Aleksandr Vladimirovich did repeatedly stress that order in the country must be introduced by "economic methods." But here he recalled with manifest pleasure a little scene espied in Singapore: Right in front of him policemen were using bamboo sticks to administer a lesson to an offender who had discarded a cigarette stub or spat in the street....

But all this finds a broad and very vigorous response in conditions where local authorities demonstrate a staggering lack of will in pursuing reforms; where representatives of the authorities actually steal everything that is not nailed down by the state and create nothing at all for the common good; and where in the last oblast Duma elections the heads of administration roughly elbowed aside all candidates capable of bringing into local lawmaking the interests of other social groups and strata, have since impoverished local lawmaking to the maximum extent, and now hold sessions without even letting representatives of the press in.

These are the conditions in which leaders like Rutskoy are snatching success. It is certainly time for politicians—major and minor—to open their eyes and realize that it will not be only the capital voting in the forthcoming presidential election. If things do not change very quickly in the provinces, then (God forbid!) the prophecy of a great cataclysm in Russia will come to pass. And that cataclysm will come not from the East but from places like Kursk or Voronezh. At any rate, that is the way it looks today to your observer from the provinces.

Tatarstan Soviet Creates Minimum Wage Law

944F0771A Kazan IZVESTIYA TATARSTANA in Russian 3 Jun 94 p 1

[Article by Tatyana Korneyeva: "Formal Minimum Wage and Real Earnings Are Different Things..."]

[Text] **A lively discussion ensued at yesterday's meeting of the Tatarstan Supreme Soviet's Planning and Budget Commission upon presentation of the Republic of Tatarstan Government draft "On the Minimum Wage," which envisages, beginning 1 July, setting the minimum wage at R50,000 instead of the current R30,000.**

The arguments in favor of the draft law submitted by the Tatarstan Government, which were incorporated in the report of Deputy Prime Minister Ravil Muratov, boiled

down to the following: It is necessary to raise the minimum wage in order to avoid a sharp decline in the republic population's standard of living because of a sharp jump in prices. However, the presenter noted, we cannot allow the Unified Pay Scale level I salary to be set at R50,000, since it will cause leveling in labor remuneration of the workers in the budget and production spheres and may lead to social tensions.

Planning and Budget Commission Chairman Geliy Kobelev and the Tatarstan people's deputies did have strong objections, which they voiced to the presenter. As one of the opponents justly noted, one can issue a directive to set the minimum wage at R100,000 or even R1 million, but what will it change in principle if enterprises do not have money and back pay is owed for months? So what is the point of adopting another law that will not work? It is already clear that setting the minimum wage at R30,000 did not result in raising the average wage in February-May.

Meanwhile, questions arise when these categories are compared in Russia and Tatarstan. With the minimum wage in the Russian Federation being R14,600, in March the average wage rose to over R170,000, while in our republic, where the minimum is set much higher, average earnings amount to only R140,000.

The commission came to the conclusion that the materials attached to the draft law do not contain sufficient analysis of the consequences and do not identify the sources to cover the attendant additional budget expenditures.

If we are to accept such a draft law, it needs clear justification that will take into account the interests of industrial enterprises, first and foremost the defense industry.

The preliminary analysis as to what raising the minimum wage will produce is already taking shape. And it is far from optimistic. If the law is adopted, the taxable base will inevitably shrink, which means losses for the revenue part of the budget, which are estimated to exceed R200 billion. Overall, additional expenditures and loss of income are estimated at R350 billion, or R50 million a month with the actual budget revenue being an average of R80 billion monthly. This means that the government will have to take some steps to increase the budget revenue.

The deputies were unanimous in the opinion that this draft law once again will not affect the pay of the budget sphere workers, since the proposal is to adopt it without taking into account the Unified Pay Scale. It will, however, necessitate changes in the Tatarstan law "On the Republic of Tatarstan Budget System for 1994," since the 2.5-fold wage raise for budget organizations, which is built into the budget, is pegged on a minimum wage of no more than R30,000 until the end of the year.

It was also quite reasonably pointed out that our entire legislative base is pegged on the minimum wage, and in the event this law passes, fines calculated on a factor of R50,000 will become astronomical, which actually will lead to a result directly opposite that intended—decline in the population's income. To this Ravil Muratov offered a compromise solution: Since Russian Federation laws are in effect on the Tatarstan territory, fines may be applied on the basis of the Russian minimum wage, that is, R14,600. The presenter's reasoning was not accepted, however.

As one of the deputies remarked, with this draft law we once again attempt to cure the symptoms rather than the disease. And the disease is the republic's extremely difficult economic situation. The program of anticrisis measures, which the deputies had instructed the government to develop before 25 May, was supposed to help. Instead, they offered to discuss only the draft of "Priority Measures for Stabilization of Republic of Tatarstan Economy." But this document—the substance of which was presented at the commission meeting by Filza Khamidullin, a deputy prime minister and the chairman of the State Committee for Economics and Forecasting—also raised serious questions among the deputies.

In Geliy Kobelev's opinion, the draft of "Priority Measures..." lacks clarity and specifics in such critically important matters as overcoming the insolvency crisis, bringing down the rate of production decline, providing guarantees for the timely payment of wages, and the operation of the bills of exchange system. The commission returned the draft law "On the Minimum Wage" for modifications and recommended to consider it simultaneously with the draft law on the adjusted budget.

Yeltsin Staff May Dismiss Chelyabinsk Oblast Head

PM0606154994 Moscow NOVAYA YEZHEDNEVNAYA GAZETA in Russian 4 Jun 94 p 1

[Report from column based on RIA, POSTFACTUM, and INTERFAX materials: "Chelyabinsk Oblast Administration Head Not to President's Liking"]

[Text] Yeltsin's apparatus is discussing the question of Mr. Solovyev's removal. The specific reasons are not yet being given, although it is reported that the administration head "has in recent months been a source of tension in the oblast in the spheres of both political and economic relations."

Kalmykia Elects Head of Government

LD0706120394 Moscow Mayak Radio Network in Russian 1000 GMT 7 Jun 94

[Text] Kalmykia's Vice President Valeriy Bogdanov was elected head of government at a session of the republican parliament Monday. He will form a Cabinet of Ministers together with President Kirsan Ilyumzhinov.

Kostroma Official Sues Papers for Defamation

PM0606154094 Moscow IZVESTIYA in Russian 3 Jun 94 p 8

[Report by Mikhail Ovcharov: "President's Representative Demands 131 Million Rubles From Two Papers"]

[Text] Kostroma—Yuriy Litvinov, the Russian Federation president's representative in Kostroma Oblast, has simultaneously sued two newspapers—KOSTROMSKOY KRAY and KOSTROMSKIYE VEDOMOSTI for defamation, demanding 131,516 rubles in compensation for psychological damage.

Some months ago pieces were published first im KOSTROMSKOY KRAY and then in KOSTROMSKIYE VEDOMOSTI which Yuriy Litvinov regards as spurious. In particular, his former assistant Valeriy Deryugin, in an interview with a KOSTROMSKOY KRAY correspondent, claimed that Yuriy Litvinov had violated the president's edict on the fight against corruption by enabling commercial structures to make extensive use of equipment and communications facilities in the representation's offices. Both papers also said that the president's representative in Kostroma Oblast had allegedly used military equipment in the shape of an infantry fighting vehicle to go hunting in Buyskiy Rayon.

The president's representative strongly denies these and other charges.

Novosibirsk Oblast Adopts Economic Stabilization Plan

PM0706104394 Moscow ROSSIYSKIYE VESTI in Russian 7 Jun 94 p 2

[Andrey Illarionov report: "Yet Another Plan"]

[Text] Novosibirsk—The Novosibirsk Oblast Administration has drawn up a plan to stabilize the territory's economic position.

An extensive list of measures has been conceived aimed at seeking funding to resolve priority tasks in the oblast and to elaborate mechanisms for state regulation of the economy.

The plan's priorities include the development of agricultural production and support for the fuel and energy complex. The social section of the plan is aimed at preventing mass unemployment and a decline in living standards.

Scientists and specialists in Novosibirsk and the oblast's rayons will have to resolve such difficult tasks as organizing transactions between enterprises and ensuring economic regulation of food prices.

A science support fund is to be set up.

'Excessive Militarization' Harms Novosibirsk Economy

LD0706095594 Moscow ITAR-TASS World Service in Russian 0126 GMT 7 Jun 94

[By ITAR-TASS correspondent Viktor Yelmakov]

[Text] Novosibirsk, 7 Jun—A six-page memorandum originating from the Ministry of Nationalities Affairs and Regional Policy has fallen into the hands of local newspaper editors and local bureaus of the central mass media. The document assesses the socio-economic position of Novosibirsk Oblast.

In it, Moscow-based experts write: "Income levels of Novosibirsk Oblast residents have dropped to 37.4 percent of Moscow levels, while per capita budget provisions in the oblast amount to 46 percent of the average figure for Western Siberia". Excessive militarization of the area's economy has been singled out as being among the causes of this disastrous showing. Having relaxed the reins in the running of the economy, the state has left Novosibirsk Oblast residents outside the scope of reforms: Neither military production nor defense-oriented science can adjust to the new conditions.

Novosibirsk Decree Restricts Advertising

944F0769A Novosibirsk SOVETSKAYA SIBIR in Russian 2 Jun 94 p 1

[Novosibirsk Oblast Administrative Decree No. 101 dated 26 May 94: "On Advertising Individual Kinds of Goods and Activity"]

[Text] With a view to protecting citizens' rights to health protection and obtaining complete and reliable information and eliminating cases of deception of citizens through unreliable advertising in the mass media:

1. The following kinds of advertising shall be prohibited on the territory of Novosibirsk Oblast:

—alcoholic beverages and tobacco items—on radio and television, in neon signs and other kinds of outdoor advertising (including the decoration of display windows), advertising billboards and signs, and in other forms in compliance with Part 2 of Article 19 of the Fundamentals of Legislation of the Russian Federation on Protection of the Health of Citizens;

—products and services subject to mandatory certification when the advertiser does not have a certificate of compliance issued in keeping with the Law of the Russian Federation on Certification of Products and Services;

—methods of prevention, diagnosis, treatment, and medical preparations before documentation of the results of testing according to Part 8 of Article 43 of the Fundamentals of Legislation of the Russian Federation on Protection of the Health of Citizens;

—all forms of entrepreneurial activity not registered according to the established procedure.

2. For purposes of implementation by the enterprises and organizations (regardless of their organizational-legal forms and types of ownership) of the measures earmarked in Point 1 of the decree:

2.1. Observance of the aforementioned prohibition shall be considered a mandatory requirement for obtaining licenses for the corresponding types of activity (including production and trade);

2.2. The following measures shall be taken against individuals who violate the present decree:

—administrative penalties shall be applied against individuals who violate legislation in force on the territory of the Russian Federation on the basis of the authority granted to heads of administrations of the oblast, cities, and rayons;

—licensing organs shall revoke licenses for production and trade in alcoholic beverages, tobacco, and tobacco items until such point as the violation of the present legislation is removed;

—oblast organs shall be prohibited from granting enterprises and organizations that violate the present decree quotas and licenses for the shipment of certain kinds of equipment with respect to which such regulation is applied;

—organs for administration of state and municipal property shall revise conditions or revoke leases and other contracts that document relations for the use of state and municipal property in compliance with the established legislative procedure. Moreover the revision of the conditions of contracts shall be carried out through increasing the amounts of payments in excess of the market value, restricting the time periods for the use of the property, etc. Leases shall not be concluded for leasing (using) premises that are part of oblast and municipal property;

—state and municipal organs shall be prohibited from granting the aforementioned individuals subsidies, preferential credit, warranties, or guarantees and also from rendering them state support in other forms;

—tax exemptions granted by oblast organs of state power and organs of local self-government within the limits of the funds transferred to the oblast and local budgets shall be suspended until the violations are eliminated. Moreover oversight organs shall immediately report violations they have discovered to the state tax inspectorate and the financial organ in the place where the corresponding enterprise (organization) is registered.

3. For purposes of the present decree advertising shall be considered to be actions for purposeful information influence on the consumer in order to move the products (work, services) completed by legal entities or individuals or on their behalf in the following forms:

—advertising measures through the mass media;

—showing of advertising movies or video films;

—placement of posters, placards, stands, and billboards and decoration of display windows;

—in other forms to which Point 2 of letter No. 94 of the Ministry of Finance of the Russian Federation of 6 October 1992, applies.

4. The following types of entrepreneurial activity conducted by enterprises and entrepreneurs shall be deemed to be not registered in compliance with the established procedure:

—those not specified by the enterprise regulations in violation of Point 2 of Article 21 of the RSFSR Law on Enterprises and Entrepreneurial Activity;

—those not specified by the certificate of registration of the entrepreneur in violation of Point 1 of Article 4 of the Law of the RSFSR on the Registration Fee From Individuals Engaging in Entrepreneurial Activity and the Procedure for Their Registration;

—those prohibited by legislation in force on the territory of the Russian Federation for any enterprises or for enterprises of a given type and also for entrepreneurs;

—those conducted without a special permit (license) in cases where it is necessary to acquire one based on Point 4 of Article 21 of the RSFSR Law on Enterprises and Entrepreneurial Activity and other legislative acts in force on the territory of the RSFSR.

The definition of entrepreneurial activity is contained in the RSFSR Law on Enterprises and Entrepreneurial Activity.

Measures stipulated by the present decree with respect to advertising of types of activity not registered according to the established procedure shall also apply to activity contributing to the performance of illegal activity by legal entities and individuals if said action is conducted in the form of performing work or rendering services for these individuals.

5. It shall be recommended that the Procuracy of Novosibirsk Oblast provide oversight over the enforcement of the present decree as a legislative act in force (Articles 5 and 76 of the Constitution of the Russian Federation) and, in the event of the discovery of violations, that it take the measures stipulated by the RSFSR Law on the Procuracy of the Russian Federation, Article 49 of the Civil Code of the RSFSR, and the present decree.

6. The administration of the department of the tax police for Novosibirsk Oblast, in the event of the discovery of licensed activity being conducted without a license (including in cases of revocation of the license or expiration of the license) shall:

—within 10 days notify according to the established policy (the protocol on administrative violation or the inspection document) the licensing organ or tax inspectorate in the place of registration of the enterprise (entrepreneur);

—according to the established procedure file suits with judicial organs to confiscate illegally gained revenues.

7. It shall be incumbent on state and municipal organs issuing permits (agreements) to install neon and other outdoor advertising, billboards, signs, etc. to provide for compliance with the norms of the present law.

8. Effective 1 June 1994 it shall be prohibited to post announcements or install billboards, placards, or signs in unauthorized places. The list of places in which the aforementioned advertising is prohibited shall be determined by the administrations of the cities and rayons.

The heads of administrations of cities and rayons using funds received from taxes on advertising or other sources shall equip billboards for general use in accessible places before 1 June 1994.

It shall be established that the funds received into the local budgets from the collection of fines for posting announcements, installing billboards, and other kinds of advertising in unauthorized places shall be used for strengthening the material and technical base of the corresponding internal affairs organs.

The internal affairs administration of the oblast administration shall provide for observance of the established ban on advertising in unauthorized places and shall report on measures that have been taken to the head of the oblast administration before 1 August 1994.

9. It shall be incumbent on licensing organs to immediately inform state tax inspectorates and organs for administration of state (municipal) property for application, if necessary, of the sanctions stipulated by existing legislation and the present decree and also of the renewal of licenses.

10. The oblast public health administration shall:

—before 15 June 1994 prepare and submit information on the influence of various forms of advertising on the health of various groups of the population in order to substantiate the determination of temporary norms for the duration and volume of advertising in the mass media;

—expose violations of the Fundamentals of Legislation of the Russian Federation on protecting the health of citizens when conducting advertising measures and report violations, so that corrective measures may be taken, to procuracy organs, licensing organs, and administrations of cities (rayons) in the place of registration of enterprises, organizations, and entrepreneurs committing violations of legislation in effect.

11. The oblast administration committee on economics shall organize the disclosure of violations of legislation on certification of products and services when implementing advertising measures and applying to individuals violating legislation corrective measures stipulated by existing legislation of the Russian Federation and the present decree.

12. The present decree, adopted in keeping with the norms of the Constitution of the Russian Federation (Articles 5, 17, 18, 41, 55, and 76), Article 5 of the Fundamentals of Civil Legislation, and Articles 6 and 10 of the Law of the Russian Federation on Protection of Rights of Consumers, and also taking into account the provisions of the Declaration on the Mass Media and Human Rights and the Recommendations of the Judicial Chamber on Information Disputes under the president of the Russian Federation of 5 May 1994, No. 1, shall be an act of legislation in force and be mandatory for execution by all enterprises, organizations, and institutions conducting their activity on the territory of the oblast, regardless of their organizational-legal forms and types of property.

13. The present decree (including measures for prohibiting advertising of certain goods and types of activity) shall take force as soon as it is published in the newspaper SOVETSKAYA SIBIR.

Vladivostok Arms Dump Clear of Danger

PM0606135694 Moscow TRUD in Russian 4 Jun 94 p 2

[Unattributed report: "Checked. No Mines, But There Could Be"]

[Text] The Pacific Fleet Command has notified the inhabitants of Maritime Kray (Far East) of the completion of work on clearing the territories of population centers and agricultural land in the proximity of the Pacific Fleet's arms dump at Novonezhino (70 km from Vladivostok).

A fire and an explosion occurred at that dump 14-15 May as a result of servicemen's negligence, causing economic damage to the region in excess of 30 billion rubles.

The explosion scattered a large quantity of ammunition around the nearby areas, posing a threat to the population.

Sappers and others involved in eliminating the aftermath of the explosion have also fully inspected a 3-km-wide belt around the dump and rendered harmless dangerous explosive objects.

The population can now embark on normal activities, while being urged not to slacken vigilance. On 31 May a 2-meter rocket thrown out by the blast wave 15 days previously was extracted from the ground in the truck garden of a resident of the village of Romanovka, which is approximately 10 km from the epicenter of the explosions, the newspaper VLADIVOSTOK has reported.

Plant To Build Helicopters, Export Military Products

OW0606134594 Vladivostok Radiostantsiya Tikhiy Okean Maritime Network in Russian 0715 GMT 3 Jun 94

[From the "Pacific Ocean" program]

[Text] After protracted bureaucratic delay, the Arsenyev Progres Aerospace Company received a state order for a small number of Ka-50 Chernaya Akula helicopters. The combat machines will be built and delivered to the Russian Ministry of Defense.

In addition to the state order, the plant received the long-awaited license to export military products abroad, which will naturally expedite the financial recovery of the company.

Illegal Immigrants Purged in Maritime Kray

PM0606132194 Moscow KOMSOMOLSKAYA PRAVDA in Russian 4 Jun 94 p 1

[Unattributed report from "Inform" column: "Using Chairman Mao's Method"]

[Text] In Maritime Kray the militia, chekists, and border guards have carried out a very large "purge" among foreigners. As we know, the guests from adjacent states have for a long time now been held in no great respect in the Far East. The authorities and special services intended at least to recount them. The effect was striking: Over the course of a week nearly 2,000 foreign citizens were discovered living illegally on the kray's territory. They are mainly Chinese who crossed the Russian border as tourists and then settled in oru country.

Some were fined for a lapsed visa, some had criminal proceedings brought against them for possessing false passports, and 944 PRC citizens were immediately deported to their historical homeland. (Incidentally, there has not been a single protest from the Chinese authorities).

The operation is not ended. It has become known that many of our "guests" have settled deep in the taiga settlements, since the wild fruit harvesting season is approaching. Militia detachments have been sent there. Some people will be very unlucky on the narrow path of war in the Ussuri taiga....

International Affairs

DPRK Minister Calls for Talks With ROK on Nuclear Issue

LD0606163494 Moscow INTERFAX in English 1521 GMT 6 Jun 94

[Text] North Korea rejects pressure as a tool to solve the nuclear problem of the peninsula. Its Foreign Minister Kim Yong-nam said so in Ukraine where he arrived on 6 June.

He said that direct talks with Seoul were the only way to have the problem solved and that North Korea wanted to make the Korean peninsula a nuclear-free zone.

Kim Yong-nam expressed the hope that the third round of talks between Pyongyang and Seoul would bring about positive results in that field.

He welcomed Ukraine's desire to become a nonnuclear country.

Kim Yong-nam and his Ukrainian counterpart Anatoliy Zlenko will have talks Monday afternoon.

Says DPRK Will Be Nuclear-Free State

LD0606203194 Kiev UNIAN in Ukrainian 1930 GMT 6 Jun 94

[Text] Kiev [no dateline as received] DPRK Foreign Minister Kim Yong-nam, currently in Ukraine on an official visit, met Ukraine Foreign Minister Anatoliy Zlenko 6 June. The talks can be seen as introductory and consultative in nature. A wide range of issues were discussed in their talks. The key issue was focused on the development of bilateral relations, the possibility of economic cooperation, and the establishment of a legal and contractual basis for that. It was noted that Ukraine and the DPRK had signed only two agreements to date.

In addition, the two officials voiced their countries' positions on nuclear issues. Kim Yong-nam declared that the DPRK intended firmly to become a nuclear-free state. The DPRK's position on the matter coincides with Ukraine's, he stressed.

The sides plan to sign a number of bilateral agreements at the end of the visit 9 June.

Says No 'Pressure' Will Solve Problems

LD0606214194 Kiev UNIAR in Ukrainian 2100 GMT 6 Jun 94

[Excerpt] Kiev, 8 Jun—[passage omitted] DPRK Foreign Minister Kim Yong-nam is in Kiev on an official visit. He told reporters at Borispol airport that "No sanctions, no pressure put on us will help a fair and unbiased solution to our nuclear problems. We are against nuclear arms. If the United States sincerely intends to solve the so-called nuclear problem, they should get down to the third round of Korean-American negotiations."

"We welcome Ukraine's intention to become a nuclear-free state because we, too, are making every effort to make the Korean peninsula nuclear-free." [passage omitted]

No Results Seen in Black Sea Fleet Talks

LD0606174794 Kiev UNIAN in Ukrainian 1310 GMT 6 Jun 94

[Excerpts] Kiev—Leonid Tupchiyenko, an expert at the International Institute of Global and Regional Security, considers that the next round of interstate talks between Ukraine and Russia on the Black Sea Fleet, to be held in Kiev on 8-9 June, could end without a result since during the working consultations in Sevastopol at the end of last week, owing to Russia's position, the sides were unable to move forward on the most principled issue—that of the division of the Black Sea Fleet's shore infrastructure.

Volodymyr Pryadko, chairman of Ukraine's State Property Fund, in an interview with UNIAN, declined to name the exact value of the property of the Black Sea Fleet's shore infrastructure. He just noted that "at issue is Ukraine property valued at several billion dollars."

In an interview with UNIAN after the completion of consultations, Feliks Gromov, commander of the Russian Federation's Navy, accused Ukraine of not wishing to include, first and foremost, the Massandra protocols and by doing so, casting doubt on the validity of the remaining documents with regard to the Black Sea Fleet. In the admiral's view, the absence of a clear political decision does not offer the opportunity to continue the dialogue with regard to the shore infrastructure.

Ukrainian Navy Commander Vice Admiral Volodymyr Bezkorovaynyy said: "There are at least 29 shore installations which should only be used jointly, because of their uniqueness. In my view, the Russian experts headed by Feliks Gromov were either not prepared or did not have the authority to discuss this issue during the meeting in Sevastopol as well as the aspects of the land basing of the fleet's aviation and shore troops."

During the consultations on 3-4 June they finally succeeded in confirming the agreement on the conditional 50-50 division of the fleet's ships. Its conditionality lies in the fact that Kiev selects 15-20 percent of the ships from its share which are realistically required to form the basis of the Ukrainian navy.

The members of the Russian delegation are interpreting this protocol of intent in the following manner: Ukraine has the right to select 15-20 percent from each ship type. The remainder of Ukraine's 35-30 percent will be compensated at the expense of inter- state economic agreements.

Ukrainian experts consider that Russia's position leaves Ukraine without the possibility of maneuver and therefore without the possibility of independently choosing the required number of ships within the limits of the 50 percent of the floating means owed to it. According to unofficial information, in practice, during the latest consultations it was not permitted to coordinate the division of 11 fighting ships. Ukraine Deputy Premier Valeriy Shmarov, who met experts from both sides, local authorities, and personnel of the Ukrainian naval command in Sevastopol, said in an interview with UNIAN: "A concrete approach to the division of ships according to the number and type gives the hope that this issue will be resolved soon."

Valeriy Shmarov, together with members of the governmental delegation that accompanied him in Sevastopol, examined, from a helicopter, the bays of Sevastopol and Balaklava and also Donuzlav which are increasingly being described as the probable main base for the Ukrainian navy. [passage omitted]

Independent experts note that Ukraine's desire to split the fleet in such a way that would enable both parts to cooperate operationally by defending the Black Sea basin and Ukraine's southern borders with Russia does not suit the Russian side. All efforts are being made in Moscow so that the fleet, after its division, remains a striking power in Russia's hands. Experts do not exclude the possibility that at the next round of talks in Kiev on 8 June, Russia's ambassador at large, Yuriy Dubinin, who heads the Russian delegation, will suggest preparing for the signing of two documents: a separate document on the ships and a separate one on the shore infrastructure. This will, in general, make reaching a principled decision on the division of the Black Sea Fleet in the near future a problem.

Donuzlava Officers Send Open Letter to Russian Navy Chief

MK0406120094 Moscow NEZAVISIMAYA GAZETA in Russian 4 Jun 94 p 3

[Unattributed report under the "NEGA Reports" rubric: "Crimea"]

[Text] The officers and warrant officers of the naval base at Donuzlava have sent an open letter to Admiral Feliks Gromov, commander of the Russian Navy. It says in part: "The hopes placed on the delegations of Russia and Ukraine on the question of the Black Sea Fleet division have not come true. The news of the supposed transfer of the Crimean naval base to Ukraine causes a well-founded anxiety and an uncertainty for the future. Should the Donuzlava base be turned over to the Ukrainian Navy, the naval base along with the settlement would fall into decay. The daily life of most people in the Donuzlava garrison is connected with work in military units. None of us can even admit the thought that the Crimean naval base will be turned over to Ukraine. Should this happen, the more than 7,000 officers and warrant officers and members of their families would be left without subsistence. Comrade Admiral, we have faith in you, and in the common sense of the politicians who are not going to allow the transfer of the Crimean naval base to the Ukrainian Navy."

PRC Expresses Concern Over Crimean Situation

LD0606193394 Kiev Radio Ukraine World Service in Ukrainian 1900 GMT 6 Jun 94

[Text] Ukraine's foreign affairs ministry has received an oral message from Chinese Foreign Minister Qian Qichen. The message notes serious concern over the course of developments in Crimea. Ukraine's government knows that China maintains a consistent and clear stance with regard to our state's independence, sovereignty, and territorial integrity. This principled stance is outlined in the communique on the establishment of diplomatic relations between our countries, and in the Chinese-Ukrainian joint communique signed in 1992. During a discussion of Sevastopol's independence at a session of the UN Security Council last year, the Chinese side voted to support Ukraine's position on the basis of these principles. "China will always adhere to these principles in its relations with Ukraine," the message notes.

National Affairs

Nationalists Said Preparing To Send 'Thugs' Into Crimea

PM0706095194 Moscow NOVAYA YEZHEDNEVNAYA GAZETA in Russian 7 Jun 94 p 2

[Article by Vladimir Andronaki under the rubric "Island of Crimea": "Leisure in the Crimea has Become Suspiciously Active"]

[Text] On Saturday [4 June] V. Nedrigaylo, Ukrainian first deputy minister of internal affairs, unexpectedly made an appearance on Crimean television to explain that the Crimean MVD [Ministry of Internal Affairs] has finally been disbanded, transformed into a Main Directorate of Internal Affairs, and placed under the jurisdiction of the department in Kiev. But within an hour Vyacheslav Lebedev, the Crimean president's press secretary, and and Valeriy Kuznetsov, the autonomous formation's minister of internal affairs, appeared on television and stated that nothing of the kind had happened and that Mr. Nedrigaylo's speech was bogus and a piece of disinformation.

Meanwhile, Ukrainian television described how in Lvov the leaders of the Ukrainian People's Self-Defense are busily turning some of their thugs into "active leisure groups," which will be sent to the Crimea. Since the Don cossacks have gone to the peninsula as "tourists," they say, we have found our own way of assembling forces to protect national interests.

Since not one of the Supreme Council's three decrees on the suspension of the Crimean Supreme Council's decisions has been fulfilled, on Wednesday the Ukrainian parliament intends to discuss more effective measures to pressure the autonomous formation's power structures.

Kiev cannot tear itself away from the idea of a unitary state that it proclaimed three years ago and cannot fully come to terms with the experience provided by relations between Russia and Tatarstan.

Of course, Ukraine is far removed from the popular image of a land of jaunty gopaks and fruit dumplings. But since achieving statehood it has come to grief over what was not the greatest of all stumbling blocks and cannot restore equilibrium, confirming yet again the shortsightedness of the present politicians and the weakness of the idea of nationalism as a state doctrine. This also explains the Ukrainian parliament's indecisive hesitation over one thing, namely, the dangerous choice of which direction to take; either to push Kravchuk into introducing direct presidential rule in the Crimea, or to declare a state of emergency there and disband the local Supreme Council, or to abolish the autonomous formation completely. Any of these decisions will be a call to action for both the Lvov "active leisure groups" and the Don cossacks. God knows what will happen then.

Incidentally, there has been a considerable increase recently in the number of people at prayer in the Republic's Orthodox churches....

Supreme Council Delegation Leaves for Crimea

LD0706095094 Moscow Mayak Radio Network in Russian 0900 GMT 7 Jun 94

[Text] A Ukrainian parliamentary delegation is leaving for Simferopol today. Members of the joint Ukraine-Crimean working group for the concordance of the Constitutions of Ukraine and Crimea are in the delegation, which is to prepare proposals by 15 June.

Meshkov on Parliamentarians' 'Civic Duty'

LD0606221394 Moscow Russian Television Network in Russian 1920 GMT 6 Jun 94

[Video report by correspondent R. Babayan; from the "Vesti" newscast]

[Text] According to the approved agenda, parliamentarians [of the Crimean Supreme Council] are to deal with two issues: The first issue deals with the composition and structure of the Crimean Cabinet of Ministers. The second issue deals with giving decrees by President Meshkov the status of laws of the Crimean Republic, but only in cases when they refer to the issues that are not temporarily reflected in the Constitution of the Crimean state.

Speaking to Supreme Council deputies, Yuriy Meshkov said that their civic duty is to approve the proposed composition and structure of the Crimean Government as soon as possible. Meshkov continued and warned the deputies that otherwise the Cabinet of Ministers will be approved by a special decree of the president. In doing so, he referred to the March opinion poll of the population. Deputies had an extremely negative reaction to the ultimatum-like statement by their president. In their opinion, Yuriy Meshkov does not have the right to approve the structure and membership of the Cabinet of Ministers by his decree. Incidentally, parliamentarians stated that the president's referral to the poll of the population is not convincing, as a poll is not a referendum and consequently its results should not be regarded as the will of the peninsula's citizens. Crimean parliamentarians are convinced that such behavior on the part of Yuriy Meshkov pursues only one goal—to establish a regime of dictatorship in the Crimea.

Dniester Calls Crimean Crisis 'Internal Affair'

AU0606171694 Chisinau BASAPRESS in English 1811 GMT 4 Jun 94

[Text] Chisinau BASAPRESS, 4/6/1994—"The leadership of the Dniester Republic considers the crisis in Crimea an internal affair of the Ukraine," declared to BASA Valeriy Litskay, state secretary of the self-proclaimed Dniester Republic. He mentioned that the Tiraspol officials are keeping in touch with Crimean leaders, but, in his opinion, these contacts are a matter of routine. According to the state secretary, the Simferopol authorities, despite rumours, have not asked for support from Tiraspol. Referring to the notion of creating a union of unrecognized states, suggested by the leaders of Nagorno-Karabakh, Valeriy Litskay stressed that the Tiraspol officials had not been officially requested to enter this union. "We had not been offered documents such as the statute or the program of the union. Our position concerning the Union of Unrecognized States will depend solely on the contents of such documents," mentioned Litskay.

Crimean Vice Premier Explains Cabinet Choice

PM0706090194 Moscow ROSSIYSKIYE VESTI in Russian 7 Jun 94 p 3

[Interview with Crimean Vice Prime Minister Yevgeniy Saburov by Aleksandr Ryabushev in Simferopol; date not given: "Yevgeniy Saburov: Vice Prime Minister Worth $30"]

[Text] Simferopol—Yevgeniy Saburov's Moscow team does not suit the Crimean parliamentarians. The vice prime minister has left the Supreme Council for the umpteenth time without yet being able to get his cabinet of ministers ratified at a session. Why?

[Saburov] The deputies simply had a poor grasp of the situation. Clan mentality is very developed in the Crimea. A battle is under way. New people have come to power in parliament who are hungry and have an interest in ensuring that ministerial portfolios go to their men.

They are guided not by the interests of their voters, but by short-term considerations.

[Ryabushev] How is this reflected?

[Saburov] First and foremost I have proposed a minimal cabinet—eight ministers. Three of them are Muscovites—Agriculture Minister Sergey Nikolskiy, Finance Minister Lyudmila Zaytseva, and Economics Minister Andrey Chernyavskiy—the rest are Crimeans. But this breakdown did not suit parliament—it wants to ratify its own overblown cabinet of ministers which will not be subject to my confirmation. They want it to include a Ministry of Health, a Ministry of Education, and a Ministry of Mountains and Beaches. On the one hand, you can understand them—after all, most of the new members of parliament are teachers and doctors. But I need primarily economists and specialists who understand that there are as yet no funds to pay for ministers in the social and cultural sphere. That money needs to be earned. That is why I propose to create ministries which will be able to do so. Ministers must, above all, be professionals, not officials. They must be able to earn their pay.

[Ryabushev] Incidentally, what are you paid?

[Saburov] Believe it or not, I am the cheapest vice prime minister; my current pay is 1.5 million karbovantsy—or $30 at the market rate. The president earns $40. My acting ministers earn $25.

[Ryabushev] Is it worth feeling like a Muscovite hostage for money like that? After all, you earned 15 times more in Moscow.

[Saburov] I have come here to sincerely help to develop the Crimean economy. My friend Yuriy Meshkov invited me. After all, I am a Crimean—I was born in Yalta—so I do not feel like an outsider here and I intend to continue to try to persuade parliament to ratify my version of the cabinet of ministers.

[Ryabushev] You met with Max Van Der Stoel, CSCE high commissioner for ethnic minorities, 2 June. What did you talk about?

[Saburov] I outlined the situation in the Crimea for him, and suggested that he provide help in ensuring European training for our parliamentary deputies. I talked about what we need to do in order to find a way out of the Crimean impasse.

[Ryabushev] And what does need to be done?

[Saburov] We need to hold talks, rule out the use of force, develop the economy, and harmonize Ukrainian and Crimean legislation [privesti v normu zakonodatelstva Ukrainy i Kryma], removing laws that contradict each other. Incidentally, the CSCE high commissioner and UN expert Vladimir Butkevich, who currently heads the Ukrainian Supreme Council working group at the talks with the Crimean Supreme Council commission, agree with this.

[Ryabushev] How do you see the future of the Crimea?

[Saburov] First and foremost, within Ukraine, and with transparent borders. Dual citizenship along the lines of European standards. Well organized social and cultural links with Russia. Private international capital. Recreation and an elite agricultural sector. Transport arteries, airfields, ports, and a bridge of friendship between East and West.

Kravchuk: New Government Must Be Formed Soon

LD0606171694 Moscow ITAR-TASS World Service in Russian 1558 GMT 6 Jun 94

[Report by ITAR-TASS correspondents Viktor Demidenko and Mikhail Melnik]

[Text] Kharkov, 6 June—Ukrainian President Leonid Kravchuk said a new government must be formed as soon as next week. He was in Kharkov today, speaking at a meeting of leaders of agricultural machine building enterprises. He said that first and foremost it is necessary to confirm the prime minister, who is to submit to the Supreme Soviet a list of cabinet ministers. The president said that he has held consultations and meetings with members of standing commissions, factions, and parliament. The meetings considered approaches to the way the Cabinet of Ministers is to be formed and proposed possible candidacies.

Those invited to the meeting, apart from Leonid Kravchuk, were leaders of nearly 200 enterprises and more than 30 organizations involved in science and design. The most important issues concerning relations between enterprises and the state were raised. It was noted that these are now on the brink of crisis. Because of the disruption in economic links with countries of the CIS, shortage of resources and transport, some enterprises have been standing idle for several months a year, having no money to pay their workers.

"State factories must be given the opportunity to use civilized methods to sell their goods," according to Valentin Boblik, director general of the Kharkov tractor works. "It is no longer possible to use barter deals exchanging tractors, combines, and sowers for rice, buckwheat, sugar, and gasoline."

Speaking at the meeting, Leonid Kravchuk said that Ukraine has a rather well-developed production and scientific base to produce machinery. However, a critical situation has arisen, because of a number of instances of poor coordination, the stalling of economic reforms, and the disruption in economic links in most branches of industry and agriculture. He said that he has signed a decree on urgent measures to improve financial and credit provision, and to form state food resources for 1994-95. The president said he is happy with the position taken by some leaders of enterprises who said that they no longer need credits. This position is correct, he said. In their opinion, these resources must be urgently

channelled into agriculture so as to enable collective and state farms to buy technology. Leonid Kravchuk said that the decree provides for precisely such mechanisms.

Supreme Council Sessions 31 May-3 Jun Detailed

WS0606145594 Kiev VYBIR in English 1030 GMT 6 Jun 94

[From the "Parliamentary Chronicle" feature]

[Text]

Kiev, 31 May

The first speech at the morning sitting of the parliament was delivered by the President of Turkey, who was warmly welcomed by the MP's. The President of Turkey stressed that his country pays a special importance to the question of the Ukraine's territorial integrity. After that the session continued its work on forming the parliamentary standing committees. The deputies received the list of candidates for heads of the parliamentary committees, which immediately pushed representatives of the parliamentary factions to the microphones. There was the preliminary agreement to vote for the heads of parliamentary committees by the list, but now some deputies found surprises there. The right-oriented deputies said that their proposals were not included in full and the quotas were violated. In particular, the list included more representatives of the group "Ednist" (Unity) and agrarians than it was before. There were remarks that the list was prepared not in accordance with the principle of professionalism, but on the party principle, and that is why it could not be adopted for voting. The left-oriented representatives insisted on voting for the list as a whole. After the break the deputies approved the list of heads of standing committees by the majority of votes. Speaker of the parliament Oleksandre Moroz made a speech on the tasks for the Supreme Council and the parliamentary standing committees. Then the parliament worked on the draft regulations for the Supreme Council, which was adopted in its initial wording.

Kiev, 1 June

How to regulate the situation in the Crimea was the first question on the agenda after the parliamentary standing committees were formed. President Kravchuk made a speech before the MP's on this subject. Giving an analysis of the recent events in the peninsular and actions undertaken by the Crimea's leaders, President Kravchuk said: "Ignoring the constitutional demands and Ukrainian laws is not a simple mistake, but a strategy of the Crimea's present leaders and the party, which came to power in the Crimea. This strategy is aimed at the complete separation from Ukraine, with further joining to Russia." The President of Ukraine submitted to the parliament the proposals on how to manage the situation in the Crimea, which are based on a clear and stable position: The Crimea was and must be an integrative part of Ukraine. All illegal resolutions and decisions recently taken by the leaders of the Crimea must be cancelled and brought into accord with the Ukrainian Constitution and laws. Mr. Kravchuk answered to the questions of the MP's. After an extensive discussion the Supreme Council of Ukraine took the Resolution "Fulfillment of the Resolution of the Supreme Council of Ukraine of 24 February 1994 "Status of the Autonomic Republic of Crimea According to the President Ukrainian Constitution and Laws" and the Resolution of the Supreme Council of Ukraine of 20 May 1994 "Termination of Validity of the Law of the Republic of Crimea "Re-Establishment of Constitutional Grounds for the Statehood of the Republic of Crimea". [quotation marks as received] The resolution was adopted with 202 votes after the long-lasting discussion.

Kiev, 2 June

At the beginning of the morning sitting the Supreme Council adopted the Resolution "Amendment in Wording of Item 4 of the Resolution of the Supreme Council of Ukraine "Fulfillment of the Resolution of the Supreme Council of Ukraine of 20 May 1994 "Termination of Validity of the Law of the Republic of Crimea "Reestablishment of Constitutional Grounds for the Statehood of the Republic of Crimea." [quotation marks as received] Deputy from Bukovina Heorhiy Filipchuk was elected the Head of the Committee for Ecology, who was proposed to this post by Vyacheslav Chornovil as a candidate from Rukh. The Ukrainian President's letter on the 26 June elections evoked great interest and extensive discussion. According to one of MP's from Zaporizhya, this question was a "cross-road" for many opinions. The majority, judging from the speeches, were for the elections to be held at the appointed date. Other deputies proposed to prepare the respective legislative base and then to hold the elections immediately. Interesting was the opinion to elect the heads of regional councils at the parliamentary session, but not by a direct voting, which may lead to 26 "Crimeas" in Ukraine. Leonid Kravchuk, who participated at the meeting, considers that the MP's concentrated their attention only on the question of postponing the elections for the president, but almost ignored his proposition that, provided the Supreme Council prepares and adopts the necessary legislative documents before the date set for the presidential elections, he will not be against.

Kiev, 3 June

A draft on introduction of amendments and supplements to the Law of Ukraine "Forming the Local Power and Self-Governing Organs" was discussed a day before. In particular, this document provided for canceling the direct elections for heads of local councils. So this question evoked sharp debates yesterday. But this position, if adopted, would considerably change the status of the heads of local councils, in one hand, and the approach to the regional economic policy, on the other hand. Arguments "for" and "against" concerning this issue might be considered logical, if not for the fact that the legal and legislative base of Ukraine are not ready for

the direct elections for heads of local councils. In particular, there was raised the questions: If heads of local councils are elected, to whom they will be subordinate; who will control their activities? Deputies to local councils must take control over this question, but meanwhile, the legal acts do not strictly regulate these positions. So, this was the question under debates. But in order to cancel the direct elections it is necessary to introduce a number of amendments and supplements to the current legislation of Ukraine. And this question was forwarded for voting. The amendment was not adopted by the majority of votes. This means that everything remains as it is provided by the law taken by the last Supreme Council.

Newly-Elected Chairmen of Standing Commissions Listed

AU0406165994 Kiev URYADOVYY KURYER in Ukrainian 2 Jun 94 p 1

[Editorial: "Chairmen of Commissions Have Been Elected"]

[Text] On 31 May, Ukraine's Supreme Council session elected 22 chairmen of standing parliamentary commissions. Yuriy Kostenko, who was proposed for the post of chairman of the Commission for Questions of Ecological Policy, withdrew his candidacy prior to the elections. The following individuals were elected as chairmen of Ukraine's Supreme Council standing commissions:

The Commission for Issues of Legal Policy and Judicial and Legal Reform—Volodymyr Stretovych.

The Commission for Issues of State Building, Activity of Councils, and Self-Government—Oleksandr Steshenko.

The Commission for Issues of Social Policy and Labor—Yuriy Buzduhan.

The Commission for Issues of the Protection of Health, Maternity, and Children—Yuriy Spizhenko.

The Commission for Issues of Young People, Sports, and Tourism—Oleksandr Yakovenko.

The Commission for Issues of Science and People's Education—Volodymyr Storizhko.

The Commission for Issues of Culture and Spiritual Values—Mykhaylo Kosiv.

The Commission for Issues of Economic Policy and Management of the National Economy—Oleh Taranov.

The Commission for Issues of Budget—Volodymyr Shcherban.

The Commission for Issues of Finance and Banking Policy—Viktor Suslov.

The Commission for Issues of Basic Branches and Socio-economic Development of Regions—Valeriy Cherep.

The Commission for Issues of Fuel and Power Engineering Complex, Transport, and Communications—Oleksandr Kozhushko.

The Commission for Issues of Agro-industrial Complex, Land Resources, and Social Development of Villages—Anatoliy Danylenko.

The Commission for Foreign Affairs and Ties With the CIS—Borys Oliynyk.

The Commission for Issues of the Chernobyl Catastrophe—Volodymyr Yatsenko.

The Commission for Issues of Nuclear Policy and Nuclear Safety—Mykhaylo Pavlovskyy.

The Commission for Issues of Law and Order—Leonid Borodich.

The Commission for Issues of Combating Organized Crime and Corruption—Hryhoriy Omelchenko.

The Commission for Issues of Defense and State Security—Volodymyr Mukhin.

The Commission for Issues of Regulations, Deputies Ethics, and Provision for the Activity of Deputies—Petro Sheyko.

The Commission for Issues of Legislative Provision for the Freedom of Expression and Mass Media—Viktor Ponedilko.

The Commission for Issues of Human Rights, National Minorities, and Interethnic Relations—Volodymyr Butkevych.

Communist People's Deputy Interviewed on Elections

WS0606123994 Kiev VYBIR in English 1030 GMT 6 Jun 94

[Interview with Vasyl Ivanov, people's deputy of Ukraine and member of the faction "Communists of Ukraine" by unidentified reporter; place and date not given: from the "Current Interview" feature]

[Text] VYBIR: How expedient is the election for heads of regional councils by the direct voting in regions?

V.I.: The matter is that a regional council will elect one head, and voters—one more head, and I understand this is as unsatisfactory to us. There is something alike presidential emissaries in it. And it will cause unnecessary parallelism. We have already had it and the system has not proved to work. For strong power this power must be concentrated with one organ—regional council.

We are worried that the heads of regional councils elected by the direct voting in regions may not volunteer to be subordinate to the Supreme Council. A deputy is

elected in electoral district, and a head of regional council—in the respective region, so the latter may claim to have more powers.

VYBIR: What is your forecast as to the elections for the president?

V.I.: We were against the post of President, but the election campaign is already going on, and we will support Oleksandr Moroz as we consider he has the best chances. Nowadays people understand that the life has become worse, that is why they hope for us—communists and socialists.

VYBIR: Why was the President's proposal to postpone the elections rejected?

V.I.: To wait today with a hope that it will become better in future and connect it with the presidential elections is a mistake. Presently Kravchuk is trying to postpone the elections hoping that the popularity of the left-oriented forces will subside, and his chances will grow.

VYBIR: How necessary is it to limit the presidential powers?

V.I.: It is necessary to cut them down as much as possible. In general, presidential model hardly suits Ukraine.

VYBIR: Thank you.

Conservative-Republican Deputy Interviewed

WS0606123794 Kiev VYBIR in English 1030 GMT 6 Jun 94

[Interview with Stepan Khmara, people's deputy of Ukraine, head of the Ukrainian Conservative-Republican Party; place and date not given; from the "Current Interview" feature]

[Text] Vybir: What is your forecast as to the next President of Ukraine?

S.Kh.: I consider that Ivan Plyushch has the best chances from those candidates who are at the moment. He has some negative features, has made quite enough mistakes, but the one, who does not want to work, does not make mistakes. Plyushch thinks of the Ukraine's interests and he is the only real patriot of Ukraine from those who registered as candidates for presidency.

Vybir: If the parliament agrees to postpone the presidential elections, will it favour to Mr Kravchuk?

S.Kh.: Postponing the elections would do a favor to Kravchuk, and harm to Ukraine. Mr. Kravchuk will participate in the 26 June elections not on his own will. He first of all wants to keep his post. He has not managed to rule the state efficiently, cannot guarantee the territorial integrity, he as the head of the executive power in fact does not exercise this right in Ukraine's favor. He would better ask for the resignation himself. But people like Kravchuk would not do it. One must be a person to do this.

Vybir: Does Mr. Kravchuk have chances to be re-elected to President?

S.Kh.: I hope this will not happen. I will not work in Kravchuk's favor saying that he might. If I do, it might give him support, no matter how small.

Vybir: From your speeches we can conclude that you are for elections of the heads of regional councils by the direct voting in regions.

S.Kh.: I consider that the heads of regional councils must be elected by the direct voting in regions, though it is clear that for our right bloc the results are not going to be consoling everywhere. But the communists are afraid of the direct elections for heads of regional councils. They are maximalists and understand that in the Eastern Ukraine they are going to have the communist majority among the heads of regional councils. Results of the direct voting may bring alternative.

Vybir: Are not you afraid of "Meshkov-ization" of Ukraine?" There might appear 26 "mini-Meshkov-s"...

S.Kh.: "Meshkov-ization of Ukraine comes from "Kravchuk-ization." Lack of activities and power in the central power bodies cause separatism in Ukraine's outlying districts. From the other hand, it is possible to introduce the provision to the law that the parliament can fire a head of regional council on the application of the Supreme Court, if he causes damage to the country or violates the Constitution.

Vybir: But if you win in the question of the elections by the direct voting in regions, and the left-oriented forces having the majority in the parliament, limit the powers of the central presidential power, is it possible the situation of all powers be concentrated with local councils?

S.Kh.: The left-oriented forces have the majority, but it is not a constitution majority. In order to limit the presidential powers, it is necessary to have 300 votes "for," and this is not real.

Vybir: Thank you.

Rukh Greater Council Discusses Presidential Election

LD0406180794 Kiev UNIAN in Ukrainian 1600 GMT 4 Jun 94

[Text] Kiev—A greater council of the People's Movement of Ukraine [Rukh] took place on 4 June. The council determined the position of the Rukh at the coming presidential elections. The resolution particularly notes that the current political situation in Ukraine is characterized by an intensification of the offensive by antistatehood, pro-Communist forces. Therefore, the

results of the election of the president of Ukraine will to a considerable extent affect the fate of the Ukrainian state. The greater council also noted that the main threat to the country's future comes from Oleksandr Moroz and Leonid Kuchma, who heads the pro-Russian, pro-imperialist forces. It was decided to support one of the candidates in the presidential election who stands for statehood positions.

Moroz Views Reform, Disarmament

AU0606200994 Kiev DEMOKRATYCHNA UKRAYINA in Ukrainian 2 Jun 94 p 1

[Report by UKRINFORM correspondents Viktor Demydenko and Mykhaylo Melnyk on press conference by Chairman of Ukraine's Supreme Council Oleksandr Moroz on 30 May; place not given: "I Am Not a Hostage to Any Specific Political Forces in the Parliament"]

[Text] "I am not a hostage to any specific political forces in the parliament." The chairman of Ukraine's Supreme Council stated this on 30 May at the news conference when he characterized the present composition of the parliament. "I know that it will not be easy for me, but my election to the post is an optimal variant in the given situation," Oleksandr Moroz pointed out.

He said that the Supreme Council intends to prepare a package of radical measures aimed at stabilizing the economy. In his opinion, "Ukraine must, in the near future, resolve the question of currency regulation, remove other money from circulation inside the state, and revise the taxation policy as well as the utilization of credit resources." He also pointed out that "for many people, these measures do not seem to be welcome, but there is no other way out, if we want to overcome the crisis."

According to him, the restructuring of the economy "must be started from the military-industrial complex," and also "with an extensive integration with Russia." However, Oleksandr Moroz is categorically opposed to Ukraine's joining the ruble zone.

Touching upon the issue of the state's nonnuclear status, Oleksandr Moroz emphasized this: "The compensation for Ukraine for the withdrawal and destruction of nuclear weapons must not be looked upon as alms to a poor orphan, but must be the payment for the well-being of many countries of the world." That is why the chairman of the Supreme Council believes "assistance for Ukraine amounting to several hundred million dollars is humiliating for the state."

At the same time, the chairman of the Supreme Council is sure that the signing of the Trilateral Agreement could not be avoided, because "Ukraine is unable to maintain nuclear weapons." "If I had been president, I would have also signed the agreement," said Oleksandr Moroz, "but, perhaps, I would have also made those radical steps that would be more advantageous for Ukraine."

Answering the question on Western investments, the Supreme Council chairman said that "Ukraine is ready to accept them, and our reforms will promote the influx of foreign capital." "The essence of the reforms," he pointed out, "will be based upon market relations regulated by the state."

"No doubt," continued the head of the parliament, "many investors would like to know whether private ownership of land will be introduced in Ukraine." In his opinion, land must not become a subject of purchase or sale. It will be a crime against the people and the future generations.

Kravchuk Visits Kharkov Tractor Plant

LD0606110694 Kiev Radio Ukraine World Service in Ukrainian 1000 GMT 6 Jun 94

[Text] As we have already reported, President Leonid Kravchuk is on a working trip to Kharkov oblast today. This morning he met workers of the Kharkov tractor plant. This enterprise, one of the largest in the machine-building complex, is under threat of stoppage. Managers of agricultural machine-building enterprises supplying the Kharkov tractor plant (?also) spoke at a consultation on ways for this and other such associations to get out of the crisis situation and ways of ensuring their uninterrupted and efficient work. Ukraine's president will visit Zmiyev this afternoon. A meeting at a local vegetable-processing plant betweenthe president and his representatives in the oblast's rayons and chairmen of councils of all levels is planned.

Anti-Inflation Policies Blasted; Production Drop Predicted

WS0606134994 Kiev VYBIR in Ukrainian 1500 GMT 3 Jun 94

[Article by Olha Len: "The Corner Created by the Power"; from the "Observer" feature]

[Text] The Ukrainian economy looks more and more like a corpse. Compared with the first quarter of last year, production dropped 38 percent, and in some industries even 45-59 percent. The production of consumer products shrank 39 percent; food—28.7 percent; non-food products—45.1 percent. The production of light industry goods and domestic appliances declined by more than half, resulting in a one-third decrease in all kinds of transportation.

Against the backdrop of general economic collapse and chronic delays in payments of salaries, the 5-percent drop of inflation, touted by the Zvyahilskyy government as a sign of economic recovery, looks more like the gradual stiffening of a dead body. Apparently, the overheated body of the economy was treated to blood-letting until all the blood drained out. However, ranking officials insist that since harsh credit policies applied to state-run enterprises almost stopped the growing prices

and fixed the karbovanets exchange rate, the credits should be kept back even further.

Ukrainian inflation has one nasty feature—it is largely caused by excessive spending by the state, primarily, to keep afloat state enterprises, most of which have been operating from one government's credit to another for two years now. Since they pay salaries and for raw materials with borrowed money, and not from their profits, they would be paralyzed if left without regular state support. Step by step, those credits build up to form a huge state debt. State revenues from taxes, customs duties, and exports are catastrophically insufficient for everyone willing to receive cheap credit or subsidy. This is when the frenetic printing of new money is initiated, which is nicely called emission. What happens after the emission is nicely called inflation.

So it does not come as a surprise that after the Ukrainian Government and National Bank stemmed the outpouring of credits, inflation actually decreased. But this also stopped state enterprises and dramatically reduced production. This is why in spite of the government's decisive "stop," life inevitably demands "more"—workers want their salaries, and enterprises their credits. Many workers were left without means of subsistence and the hope to earn it somewhere.

The government makes the situation even worse, stepping up repressions against the private sector. Commercial structures groan under excessive taxes and the self-will of state bureaucrats. Finally, they start to work illegally, that is, to move their operations into the underground economy. Favorable conditions for the private economic sector would relieve the burden of inflation even under the present conditions in Ukraine. Of course, unprofitable state enterprises will be forced to shut down in any case, but they could be replaced instead by alternative structures which would create more jobs and production.

However, the authorities did their best to encourage the unemployed workers to seek protection from unemployment in racketeering and petty speculation. After the recent "victory over inflation," the ranks of the underground economy will certainly be swollen by a cheap labor force, while people's standards of living will plummet.

Kolubchenko Urges Moves To Stabilize Economy

LD0606141094 Kiev UNIAR in Ukrainian 1130 GMT 6 Jun 94

[Text] Kiev, 6 Jun—"The most dangerous thing now is to begin to demolish everything and then to rebuild it yet again, especially at a time when the national economy is in decline, Anatoliy Holubchenko, Ukraine's minister of industry, believes. There is a crisis both in the economy and in the structures of power. Therefore, I fully share the concern of the parliament chairman and his wish to form the Cabinet of Ministers quickly. But we need to take measures urgently to stabilize the work of the national economy complex." The new government, in Mr. Holubchenko's opinion, will have to immediately take untraditional steps, in the first place to adopt a series of decisions on reorganizing production, and not allow 99 percent of enterprises to stop. "The current campaign against inflation, Anatoliy Holubchenko believes, has practically led to the paralysis of enterprises."

Landyk Views Government Economic Policy

AU0606182594 Lvov ZA VILNU UKRAYINU in Ukrainian 26 May 94 p 2

[Interview with Ukrainian Vice Prime Minister Valentyn Landyk by UKRINFORM correspondent Volodymyr Yeremenko; place and date not given: "The Cabinet of Ministers Knows How To Extricate Ukraine From the Crisis"]

[Text] It appears that the government of Ukraine has finally found that the main link, more specifically, the several links, that may be pulled to draw the whole chain—to stabilize Ukraine's economy. This enabled Vice Prime Minister Valentyn Landyk to state, in an exclusive interview with a UKRINFORM correspondent, that the situation in the country will change radically in the next year or two owing to the extensive work on restructuring the economy.

The adoption by Ukraine's Cabinet of Ministers at the beginning of May of the decree "On Urgent Measures for Overcoming the Payments Crisis and Normalizing the Work of Enterprises" was the first step on that road.

[Landyk] We must clearly specify what is meant. Today, the mutual insolvency of enterprises in Ukraine has reached 60 trillion karbovantsi [K]. The same situation also prevails in Russia. Payments are not transferred either there or to us. Production has been stopped again. All this time, a specific experiment was conducted: Every time a certain sum of money was injected, in other words, [monetary] emission was resorted to, the enterprises worked for two, three, or four months and... stopped again.

[Yeremenko] In other words, they simply worked to fill warehouses and produced and stored products that nobody needed, and that was the end of it?

[Landyk] Precisely. That is why, at the end of December and in January, we were faced with a dilemma: Whether to administer yet another monetary injection and raise prices by between three and five times or stop everything and say: "Well, enough is enough, let us address the problem in terms of the economy."

[Yeremenko] However, how, being totally insolvent, can one extricate oneself from the standstill?

[Landyk] There are two ways. Either monetary emission, which does not suit us, or an economic stimulation of production. We have analyzed the lists of all enterprises

in order to see which of them (a) need to be taken under control, (b) whose products are in demand, and (c) only work to fill warehouses. The picture is appalling: Today, in Ukraine, the products of just 30 percent of enterprises are in demand. That is why the task is to assist those enterprises that manufacture competitive products.

[Yeremenko] And close down the rest and throw the people into the street?

[Landyk] No, it is also necessary to help them, but in the following way: To completely reprofile them and to change their production. Today, it is necessary to adopt a clear-cut system: At the beginning or at the end of the year, the marketing departments must travel through Ukraine, Russia, Belarus, Uzbekistan, Kazakhstan, Poland, and Hungary and present their products, advertise them, and conclude contracts. Following that, all efforts must be focused on manufacturing those products for which there are contracts. Unless we realize this, we will not be able to get things going. In this connection, I believe that about 50 percent of directors need to be replaced.

Nobody speaks of "creating" unemployment and throwing everybody into the street. This is incorrect and not normal. We must try and keep all those enterprises that are needed for the functioning of the economy of the sovereign Ukraine. Even if, for example, 1,000 people work there, it is necessary to have them employed. Once there is work, wages, and deductions to the budget, the social sphere will function. There will be economic turnover. We envisaged this in our program. It is also necessary to prepare documents, so that, starting from tiny steps, we could gradually raise the economy.

[Yeremenko] How and on what principles? For example, there has long been talk that profits and not incomes need to be taxed. This is what is done everywhere in the world.

[Landyk] That profit must be taxed is not subject to any doubt. Drafts of corresponding decrees will be submitted to the Supreme Council for consideration in the very near future.

It is necessary to reduce the value-added tax, which presently constitutes 28 percent. I think that 20 percent will do. Moreover, we must look into the future, since there are different enterprises: For some of them, 20 percent may be assigned, whereas for others, 10 percent will be more than enough. In other words, there must be a differential approach. It is essential that people should be able to buy goods. Especially consumer goods. In some places, the excise duty needs to be reduced. Taxes should not render production inexpedient. Some people claim that the cancellation of taxes or excise duty will lead to a decrease of contributions to the budget. However, this is not so. If goods are selling, the state will also benefit from this. If there is stagnation, then there will be no value-added tax, sales tax, or excise duty.

[Yeremenko] Such a situation prevailed in the Zaporizhzhya production association Zaporizhzhya Automobile Plant. The prices of automobiles far exceeded K100 million. Mainly due to the exorbitant taxes, which rose above 65 percent of the automobile prices. As a consequence, nobody bought the cars and the warehouses became filled with automobiles. It was only after the administration managed to have the excise duty reduced and the prices lowered that the cars began to sell. Prior to that, the plant had stood idle for two weeks. Now, there is money, and production has been resumed.

[Landyk] Here, the general director of the Zaporizhzhya Automobile Plant, Stepan Kravchun, showed perseverance and an ability to convince. The Cabinet of Ministers decided to help. The machine builders benefited from that, as well as the country's economy in general. Over this period of time, more cars have been sold than in the preceding three and a half months.

Proceeding from the same circumstances, we decided to reduce the rates of the excise duty, in particular, on vodka, to 80 percent, various types of wine to 10 percent, cigarettes to 40 percent, color television sets to 10 percent, and to cancel the excise duty on black-and-white television sets and unprocessed alcohol. It is perfectly obvious that the state must hold the monopoly on the manufacture and sale of wine, vodka, and cigarettes. This is what is done in the majority of countries of the world, including highly developed ones, and this brings them large profits.

[Yeremenko] All the more so since, even before, such a monopoly used to be one of the main sources of profit in our country.

[Landyk] Yes, but then some people started hollering: This is illegal and contrary to market principles, let us open everything and import everything. It is not a matter of this being in line with the market or against the market. One must also know what the market is all about. The state, which manufactures alcohol that used to satisfy the needs of the entire Soviet Union in this sphere, must now import alcohol and not protect the interests of its own producers.

However, the problem does not only lie in such a monopoly and not only in whether we should import or export alcohol, wine, or vodka. Our export-import policy is generally wrong and turned upside down. In addition to taxes on profits, the producer in Ukraine is so burdened by such obstacles created by licensing that he is actually rendered helpless.

With regard to exports, we also have everything clearly specified. First, we will lower the prime cost of the output, as also the rates of various taxes. At the same time, imports will be regulated. It is necessary to protect our own producers. In this manner, we will emerge from the crisis. This may be called nonmarket methods. However, today, we must try to rescue our producers in every possible way and to prevent mass unemployment. When we emerge from the crisis, we will see what to do

next. We have clearly adopted a course toward liberalizing exports and regulating imports. However, this does not apply to the CIS states.

[Yeremenko] Incidentally, about the CIS. It looks like the Commonwealth countries fail to trigger this mechanism. In this country, debates are in progress on whether Ukraine should be a member of the CIS (Ukraine is one of its three founders) or whether it should abandon the Commonwealth. Nor is there a common attitude toward the fact that, after the dispute that lasted more than a year, Ukraine became an associated member of the CIS economic union. Many people express their fear that this may become a new channel for colonizing Ukraine and for enslaving it.

[Landyk] Before answering this question, I want to focus on the European Economic Union. Why are the highly developed European countries uniting? In order not to admit us to that market. Moreover, in order to win over the market of the former USSR by joint efforts. Nobody is afraid of anything there. Work on introducing the single monetary unit—the ECU—is under way.

That is why we must also unite in order to protect our own market. Here, I do not only see an economic union of the countries of the former Soviet Union, but also of Eastern European countries—Poland, the Czech Republic, Slovakia, Hungary, former Yugoslavia, and so on. It is our market, a market where our products may be in demand. We may sell our products in Russia and Russia in Ukraine. There is no other way. Our export potential is not that high and it mainly applies to raw materials. If we take our machinery, we do not, unfortunately, have much competitive equipment.

It is, therefore, meaningless to give up this market. It will be occupied by others. I believe that Ukraine's joining the economic union of the CIS countries is an important step. It is shear nonsense to say that we may be drawn into something. There is no bondage of any kind. Frankly speaking, an associated member is in an even more advantageous situation that an effective one, as we have the right of choice, after all: We may or we may not take part in implementing a particular project. There is more freedom and room for maneuver. Besides, we will restore, stage by stage, technological ties and establish new ones.

[Yeremenko] So far, just the first step has been made.

[Landyk] It is also essential to elaborate an extremely complex mechanism and prepare a number of accords. We have already signed one—on the creation of a free-trade zone. We are now discussing the need to proceed, stage by stage, to an economic and customs union. Altogether, 35 accords must be prepared.

One can say that integration is a trend prevailing in the world, and we must integrate at least within the framework of former structures, but on a qualitatively new principle, which will be mutual advantage and not mutual dependence.

[Yeremenko] All of these are global problems. What is being done specifically for every person and for every citizen of Ukraine?

[Landyk] First of all, it is planned to conduct indexation of minimal wages and provide purpose-oriented support for low-income families. It is envisaged that the state will pay for the increase in the number of working positions. It does not matter what form of ownership a particular enterprise has. If it functions and creates working places, it will also receive subsidies. This is the mechanism of state stimulation. Well, we are also coming closer to a monetary reform, which is inevitable. In the first stage, this is the ban on the circulation of foreign currencies in Ukraine already this year. In the second stage, the hryvnya will be introduced.

[Yeremenko] How much time will it take to implement the program?

[Landyk] Here is the forecast: If all of these decisions are fulfilled and if we establish new economic ties and maintain the already existing ones, it will take at least two years.

Black Sea Fleet Officers Run for Mayor of Sevastopol

PM0606140994 Moscow KRASNAYA ZVEZDA in Russian 4 Jun 94 p 1

[Report by Vladimir Pasyakin: "Who Will Become Chairman of the Sevastopol City Council?"]

[Text] Eleven candidates have registered in Sevastopol for the post of chairman of the City Council. They include Reserve Admiral Aleksey Kalinin, former commander of the Black Sea Fleet, Colonel Ivan Yermakov, former mayor of Sevastopol, Colonel Aleksey Melnikov, deputy head of Black Sea Fleet Air Force communications, and Rear Admiral Aleksandr Penkin, aide to the commander of the Black Sea Fleet for work with personnel.

This plethora of military candidates speaks for itself. Sevastopol is the Black Sea Fleet's main base. It is quite possible that a Black Sea Fleet serviceman will become head of the City Council.

National Council To Control Radio, Television

LD0606191394 Moscow INTERFAX in English 1717 GMT 6 Jun 94

[Text] A National Council for Television and Radio has been set up in Ukraine in accordance with a decree by Ukrainian President Leonid Kravchuk.

The presidential and government press office told INTERFAX-Ukraine that the council had the right to suspend the activities of television and radio broadcasting stations which violate Ukraine's legislation and annul their broadcasting licences.

The council will be subordinate directly to the Ukrainian Supreme Soviet.

Among other functions entrusted to the council, there are granting licences for using broadcasting channels and control over the use of the private band.

According to the decree, the council will pursue state policy in the field of television and radio broadcasting regardless of the stations' form of property and supervise the implementation of the law on mass media.

Belarus

Ministry Rejects Accusation of Suppressing Press

WS0606145394 Minsk NARODNAYA GAZETA in Belarusian 3 Jun 94 p 1

["Statement" by the Ministry of Culture and Publishing]

[Text] On 1 June 1994, NARODNAYA GAZETA published the "Statement of the Belarusian Popular Front [BNF] Opposition in the Supreme Soviet," which contains accusations against the Ministry of Culture and Publishing of the Republic of Belarus. In connection with this, we believe it necessary to provide the citizens with objective information about the questions under discussion.

In its everyday activity, the Ministry of Culture and Publishing is guided by the Belarusian Constitution as well as other legislative and normative acts which safeguard state guarantees of the freedom of expression and publishing; the Ministry aims to create favorable conditions for real economic and creative independence of periodical publications and normal functioning of the entire system of national press.

With regard to the annulment of the registration certificates of NAVINY BELARUSKAHA NARODNAHA FRONTU "ADRADZHENNE" [BNF News "Revival"] and VYBAR [Choice] (Vitebsk), the resolution on this was adopted in accordance with the law on publishing and other information media. The Article 13 of this law provides: If a publication is not issued or published during over a year, its renewal requires a new registration certificate. The last issue of NAVINY BELARUSKAHA NARODNAHA FRONTU "REVIVAL" is dated 26 March—20 April 1993. On 28 February 1994, the founder of the newspaper, Zyanon Paznyak, was asked in a letter to send to the ministry all issues of the newspaper, which were published following 20 April 1993. The ministry has received no answer to this letter. As a consequence, an annulment of the registration certificate was signed (22.04.94).

The newspaper VYBAR halted publication due to the fact that its founder—the Vitebsk City Club "For Democratic Elections"—has been denied registration by the Vitebsk Executive Committee of people's deputies. In short, the newspaper has lost its founder.

Since the statement of the BNF opposition deputies mentions the newspaper SVABODA, it is worth noting that the Ministry of Culture and Publishing has sent notices about violations of the law on publishing and other information media to the SVABODA founder and editorial staff, too. Unfortunately, the provisions contained in legislation has been ignored by them in many cases. SVABODA has often published materials that came into conflict with Article 5 of the law on publishing and other information media, thus becoming a subject of consideration by people's courts.

The Ministry of Culture and Publishing thinks that the BNF opposition's statement concerning the competence of the Ministry, is unsubstantiated and does not correspond to reality. In our opinion, this statement appeared due to profit-seeking reasons—a striving for acquiring political capital during the last stage of the presidential elections in Belarus.

Local Press Instructed To Use Official Election Coverage

WS0706102394 Minsk RID in Russian 0900 GMT 7 Jun 94

[Text] Belarusian rayon and oblast newspapers whose publication is funded by the state budget have been issued the following directive from the Cabinet of Ministers:

"In connection with the holding of presidential elections and their objective coverage by information media, please be advised to safeguard the publication of BELINFORM reports in the local press."

The directive was signed by Deputy Prime Minister Demchuk. BELINFORM is an official state-budget information agency transformed from the former BELTA (Belarusian branch of TASS) which was closely controlled by the Central Committee of the Communist Party of Belarus, in which Demchuk was an instructor.

Kebich Accuses National Bank of Treason Over Credit Refusal

LD0606170994 Moscow INTERFAX in English 1404 GMT 6 Jun 94

[From the "Presidential Bulletin" feature: compiled by Nikolay Zherebtsov, Andrey Petrovskiy, edited by Vladimir Shishlin]

[Text] Prime Minister Vyacheslav Kebich described the refusal of the National Bank to grant a credit for the government to buy animal food as treason.

He told a rally of agriculture workers in the Nesvizh District, Minsk Region, that the bank was politically rather than economically motivated. Still, he said that the government would manage to help the country's agriculture. IF Note: Stanislav Bogdankevich, National Bank of Belarus chairman, disagreed with the recent agreement on the merger of the Russian and Belarusian monetary system, which, he said, curbed the bank's rights and threatened its independent existence. Nor does Bogdankevich support the Kebich government policy of granting large credits to the agriculture.

In Kebich's words, the government used three quarters of all centralized credits to support the agriculture in 1994. The budget allocation to the agriculture amounted to 3380 billion rubles, or over a quarter of all the expenditure. Over one trillion rubles were invested in the sowing campaign which was therefore a success.

Kebich also said that the government intended to compensate the deposits in saving banks. If he is elected president, the deposits which had been made worthless by inflation will be fully restored to the working people, he said. He added that his government had made a decision to compensate 60 percent of the deposits' worth.

Kebich believed that the village had to run the reform itself by combining various kinds of ownership. As president he would keep productive farms alive and enable the peasants to dispose of their products as best as they could, once the taxes were paid and the state contracts honored.

In his view, only the land and the property had to be taxed in agriculture.

Experts believe that these promises and proposals are part of his electoral campaign.

In an exclusive INTERFAX interview he had earlier called for having two state languages in his country, Belarussian and Russian. He thought that this issue had to be decided in a referendum. IF Note: Under the Belarussian Constitution Belarussian is the state language, Russian being a tool of inter-ethnic communication.

Kebich wanted the term "ethnic minorities" out of the official language. He said that the Belarussian people did not have to be divided into minorities and majorities.

He said that the country had been stable because its leader had been nipping all manifestations of nationalism in the bud.

Observers believe that equality of the Russian and Belarussian languages is as important in Kebich's program as monetary union with Russia and eventual integration of Belarus, Russia, and Ukraine.

Protocol With Russian Foreign Ministry Initialed

WS0706101694 Minsk Radio Minsk Network in Belarusian 1715 GMT 6 Jun 94

[Text] A delegation of the Russian Foreign Ministry headed by Deputy Minister Sergey Krylov arrived in Minsk for a working visit. The members of the delegation were received by Deputy Prime Minister Uladzimir Zalamay and Foreign Minister Pyotr Krawchanka. During the talks, the parties discussed interaction between the two foreign ministries and current bilateral relations between their states. A protocol regarding cooperation between the foreign ministries was agreed upon and initialed.

Moldova

Russian Commander Favors Military Settlement of Conflicts

AU0606172494 Chisinau BASAPRESS in English 1811 GMT 4 Jun 94

[Text] Chisinau BASAPRESS, 4/6/1994—General Aleksandr Lebed, 14th Army commander, stated in a recent interview, that he is in favour of settling certain political conflicts through force. "I passed through the battle schools of Afghanistan, Azerbaijan, and Armenia and I understood very clearly that in a crisis situation tough and unexpected measures should be taken. This is a guarantee that there will be no bloodshed for a long period. You can fight two-three years and lose every day 5-10 soldiers. In a year the number of deaths will rise to 3,650. On the other hand, it is possible with a single strong strike to lose only 100 people and settle the problem once and for all. I followed this principle here, in Dniester, and succeeded in proving its validity." Chisinau is ready to make compromises to settle the problem, but Lebed believes that the process of conciliation and establishment of good relations between the two sides might take a long period. "After the war in Dniester (because a real war took place in Dniester) a deep rupture between Chisinau and Tiraspol emerged. It can be removed only by time and the trust between the sides will be recovered very slowly. The fact that realistic people have come into the Moldovan Parliament is a first step in this direction," said Lebed.

No Insistence on 14th Army Pullout by 1 Jul

LD0606164694 Moscow INTERFAX in English 1312 GMT 6 Jun 94

[Text] Chisinau will not insist on the complete withdrawal of Russia's 14th Army from Moldova before 1 July 1994, as this term is unreal, head of the Moldovan delegation, Deputy Foreign Minister Nikolai Osmokesku told INTERFAX before his departure for Moscow, where the ninth round of the Moldovan-Russian talks on the status of the 14th Army and the schedule of its withdrawal will be held on 7 and 8 June.

He also announced that Chisinau would advance a number of new demands, including the demand that Russia pay Moldova a compensation for the 14th Army's stay from the moment it was put under Russia's jurisdiction.

The talks will also deal with the military transit through Ukraine during the withdrawal. Talks will be started with Ukraine as the third party concerned.

In addition to the main agreement, seven or eight additional agreements are expected to be signed.

Euro-Atlantic Center Criticizes Snegur-Smirnov Declaration

AU0606173494 Chisinau BASAPRESS in English 1811 GMT 4 Jun 94

[Text] Chisinau BASAPRESS, 4/6/1994—"Some aspects of the declaration of Moldovan President Mircea Snegur and Tiraspol leader Igor Smirnov signed on 28 April contradict the basic principles of the opinion poll "La Sfat Cu Poporul" ("Consulting With the People") especially the article which affirms that Moldova is a unitary state," states an analytic report of the Moldovan Euro-Atlantic Center. The authors of the report consider that the term "juridical status of state for Dniester," can be interpreted as "the creation of a confederation union on the basis of an agreement between two autonomous entities with equal rights for sovereignty." References of the type "departing from the existing political reality," which are often used in the declaration, could serve as a definite juridical basis for the legalization of the illegitimate structures of Dniester, including the armed forces, says the report. The experts of the Euro-Atlantic Center consider that the 28 April declaration allows the leaders of the self-proclaimed Dniester republic to negotiate about the interests of Tiraspol without having to give up any positions. At the same time the authors of the report doubt the legitimacy of the signing of the declaration on the behalf of Dniester by the Russian citizen Igor Smirnov. According to the cited source, the definite refusal of Chisinau to allow the representatives of Romania and the Ukraine to participate in the solving of the Dniester conflict may lead to an aggravation in the relations between Moldova and these states. The experts of the Euro-Atlantic Center gauged the results of the 28 April negotiations as a voluntary passage of Moldova into the Russian area of interests, which could generate essential problems in its relations with the West, including economic ones.

Crime Figures Released

AU0606173394 Chisinau BASAPRESS in English 1811 GMT 4 Jun 94

[Text] Chisinau BASAPRESS, 4/6/1994—Of some 16,202 offences which have been registered in the five months of 1994, 20 percent were serious crimes, stated today on the Moldovan radio Victor Catana, prime vice minister of interior. The number of crimes against individuals decreased; murders and attempted murder fell by 3.2 percent in comparison with 1993. According to him, the police has solved 41.1 percent of the total number of crimes; 64.1 percent of all offences inflicting serious injuries and 65.9 percent of rapes and attempted rape cases were solved. Catana specified that 27 percent of the offences were committed by workers, 5 percent by peasants and 68 percent by other social categories. He expressed concern about the amount of crimes committed by jobless people and youngsters who do not study. The number of crimes committed by drunk people increased by 40.8 percent, people with penal records by 39.7 percent, groups by 19.2 percent, minors by 36.3 percent and people who do not work or study by 27.7 percent, said Victor Catana.

Kazakhstan

Nazarbayev Completes Draft Document on Eurasian Union

LD0606190094 Moscow ITAR-TASS in English 1819 GMT 6 Jun 94

[Report by ITAR-TASS correspondent Vladimir Akimov]

[Text] Alma Ata [Almaty] 6 June TASS—Kazakh President Nursultan Nazarbayev has completed a draft document outlining the mechanism for establishing a Eurasian union, the KAZTAG news agency said on Monday [6 June].

The full text of the document will be published in the local mass media on Tuesday.

The news agency said that the document does not bury the idea of the Commonwealth of Independent States and offers yet another scheme of integration which will function alongside the CIS.

The union is expected to bring together only those republics of the former Soviet Union which are ready for this kind of cooperation and integration.

The principles of and mechanism for establishing the union must be based on their results of "national referendums or parliamentary decisions on joining the Eurasian union" as well as "equality, non-interference in internal affairs of each other, territorial integrity and inviolability of state borders."

All this will "provide the legal and organisational framework for furthering integration in order to set up an economic, currency, and political union."

The draft does not provide for associative membership. Decisions will be considered adopted if they are supported by four-fifths of the total number of member countries.

The admission to the union is strictly conditioned. The terms include "strict observance of the signed inter-state agreements, mutual recognition of the existing political and state institutions in the union member states, recognition of territorial integrity and inviolability of borders, denunciation of economic, political and other pressure in inter-state relations, as well as cessation of fighting with each other."

For the union to function effectively, Nazarbayev suggests setting up a number of supranational bodies, including the council of heads of state and heads of government which will have the supreme authority. Each country will preside in the council for six months and will take turns in alphabetical order.

The union's parliament will be the highest consultative body. The council of foreign ministers will coordinate foreign policies of the member countries.

Nazarbayev believes that Russian should be made the official language of the union, which will be headquartered in a city lying on the border of Europe and Asia, for example Kazan or Samara.

The idea of a Eurasian union proposed by the Kazakh president is not the return to the past. It draws on the experience of the European Union, the Organisation of Petroleum Exporting Countries and other international alliances, which have proved viable.

This opinion featured prominently at a news conference in the Kazakh capital of Alma Ata on Monday. The participants in the press conference said that Nazarbayev's idea is often distorted by the mass media, which causes inadequate reaction from some political circles considering the union as the return to Soviet rule.

The idea is based on world experience, the existing economic ties between the CIS countries and the effective use of their economic potential, they said.

Kekilbayev Shows Interest in Indian Self-Government

LD0606130794 Moscow ITAR-TASS in English 1118 GMT 6 Jun 94

[Report by ITAR-TASS correspondent Gennadiy Kulagin]

[Text] Almaty 6 June TASS—During his meeting with visiting Indian Minister of State for External Affairs Salman Khurshid, who arrived in Almaty on Sunday [5 June], Speaker of Kazakhstan's Parliament Abish Kekilbayev displayed special interest in India's experience of resolving problems of local self-government. The two leaders also discussed questions of ecology, flood-prevention measures, and other topical problems.

The two sides expressed the hope that their bilateral ties would progressively broaden on the international, as well as interparliamentary levels. Abish Kekilbayev handed over an invitation to the Indian parliamentary delegation to visit Kazakhstan in the second half of 1994.

Indian Foreign Minister Comments on Nazarbayev Meeting

LD0606143894 Moscow ITAR-TASS in English 1351 GMT 6 Jun 94

[Report by KAZTAG correspondent Ivan Zakharchenko for TASS]

[Text] Almaty 6 June TASS—"India fully supports Kazakh President Nursultan Nazarbayev's initiative to convene a conference on measures to promote trust and cooperation in Asia, and he is actively participating in its realisation," State Indian Foreign Minister Salman Khurshid said on Monday [6 June].

The minister made this statement after his delegation was received by the Kazakh president. Touched upon the

Kashmir problem the Indian diplomat noted that the Kazakh president "is doing everything possible for its fair and peaceful settlement."

The two sides discussed the implementation of agreements on developing trade and economic ties between the two countries. Indian businessmen arrived in Almaty to establish contacts with Kazakh entrepreneurs, the Indian foreign minister stressed.

During Khurshid's meeting with the president, they also discussed the pace of work on the agreement on mutual investments to provide firm guarantees and the activity of the Council of Business Cooperation with Kazakhstan created by India, which includes directors of private enterprises.

Akayev Sees Grounds for Stronger Ties With India

LD0606165294 Moscow INTERFAX in English 1516 GMT 6 Jun 94

[Text] President Askar Akayev believes that in the past two years firm foundations for developing friendly relations between Kyrgyzstan and India have been built. He said so in Bishkek on Monday [6 June], accepting credentials from India's Ambassador to Bishkek, Ramswaruh Mukherjee.

Akayev said he hopes that the visit to Bishkek by India's Foreign Minister, Salman Khurshid, will help to resolve many problems connected with bilateral agreements.

It will be a three-day visit. On Tuesday, the head of the Indian diplomatic service will join a session of the bilateral commission on economic cooperation. On Wednesday, he will confer with President Akayev and other Kyrgyz leaders. On Thursday, Salman Hurshid is expected to give a news conference. Friday morning he will leave for Dushanbe.

1994 Budget Amendments Still Under Review

LD0606152794 Almaty Kazakh Radio Network in Kazakh 1400 GMT 6 Jun 94

[Text] Sergey Tereshchenko chaired a regular sitting of the Cabinet of Ministers today. The topic of discussion was the 1994 state budget. Most discussions centered on the apparently insufficient proposals by departmental ministries with regard to cutting budget expenditures.

If these proposals are taken as a basis, not only will the expenditures not be cut; rather, the earlier envisaged deficit will increase threefold. The participants of the sitting expressed fair doubts that the income part of the budget, which had been confirmed earlier, was feasible. Many enterprises and even branches of industry are currently loss-generating, while credit turnover is extremely low.

A decision was made to petition for review by the Supreme Kenges the possibility of a gradual stage-by-stage increase of prices for bread and bakery products that currently are subsidized. The need for measures to protect the poorest segments of the population was also raised.

Kazakhstanis Disillusioned With National Currency

PM0606154594 Moscow IZVESTIYA in Russian 4 Jun 94 p 1

[ITAR-TASS report: "Most Polled Kazakhstanis Want Return to Ruble Zone"]

[Text] Many Kazakhstanis think it was a mistake to bring in their own currency last November.

This is shown by an opinion poll taken in the Republic by Alma-Ata's [Almaty's] Giller Institute. Some 62.5 percent of those residents of the capital who were polled are convinced that the country should return to the ruble zone. Only 21 percent of respondents categorically oppose this step. In the six months the national currency has been in existence, its value has fallen more than eight times over.

Kyrgyzstan

President Akayev on Expectations From NATO

LD0606192394 Moscow INTERFAX in English 1843 GMT 6 Jun 94

[Text] In joining the NATO Partnership for Peace program, Kyrgyzstan hopes to receive assistance on the part of NATO within the scope of the consultations on national security. Kyrgyzstan also expects NATO to help it to work out a military doctrine.

Speaking at a press conference in Bishkek today, Kyrgyz President Askar Akayev commented on the results of his visit to NATO headquarters. He underlined that within the scope of this program NATO was ready to assist with drafting projects for conversion of the Kyrgyz military industry. The parties could also cooperate on environmental projects.

In particular, Bishkek wishes for NATO to provide practical aid to overcome natural disasters which are a regular occurrence in Kyrgyzstan.

Akayev pointed out that although Kyrgyzstan is a small state, the general situation in Central Asia and its interests in stability and security mean that it must have its own army.

Report on Electricity Production Issued

LD0306151394 Bishkek Kyrgyz Radio First Program Network in Kyrgyz 2300 GMT 2 Jun 94

[Text] The Kuat power generation company has issued a progress report for May. In comparison with the previous months of the current year, electricity production fell to 846 million kWh. Nevertheless, it is more than for the same period last year.

Owing to fuel shortages the electricity plants are running into hardships, with most production accounted for by the Naryn cascade, which comprises five hydroelectric power stations working at full capacity. Two power generating units function at the Shemyldysayskaya plant, which is still under construction. The Republic plans to generate about 11.5 billion kWh this year.

Tajikistan

President Creates Security Ministry Border Guard

LD0706082194 Moscow ITAR-TASS in English 0755 GMT 7 Jun 94

[Report by a TIA "KHOVAR" correspondent for TASS]

[Text] Dushanbe 7 June TASS—Tajikistan is creating its own security ministry frontier guards. A decree to this effect has been signed by Tajik President Emomali Rakhmonov.

The frontier troops are being created on the base of the state border guard department, military formations of the republic's Ministry of Security and by transferring military personnel from the armed forces and interior troops.

The Tajik Ministry of Security is instructed to work out within a three-month period and present its proposals regarding the general structure and strength, places of dislocation, a plan of building and developing the frontier troops.

May 28 will be marked every year as the Frontier Guard Day in Tajikistan.

Joint Russian-Tajik Forces Patrol Dushanbe Streets

LD0606131994 Dushanbe Radio Tajikistan Network in Tajik 1200 GMT 6 Jun 94

[Text] For the third successive day, servicemen of the Defense Ministry of Tajikistan and representatives of the Russian Army in Tajikistan and of the Internal Affairs Ministry are manning checkpoints in Dushanbe. Their joint action stems from the fact that in recent days the sociopolitical situation in Dushanbe has deteriorated slightly. Several military servicemen have fallen victim to bullets fired by criminal elements. This is why joint security groups are observing the sociopolitical situation in the city at the orders of the republican leadership and also observing the agreement of the military leaders of the Russian Federation in Tajikistan.

According to the press office of the Internal Affairs Ministry, criminal incidents have decreased compared to several days ago as a result of joint efforts by the joint security bodies.

Round-the-Clock Security Patrols Start

LD0706072994 Moscow ITAR-TASS in English 0657 GMT 7 Jun 94

[Report by ITAR-TASS correspondent Galina Gridneva]

[Text] Dushanbe 7 June TASS—Armed squads of the Tajik Security, Interior, and Defence Ministries, as well as of the Russian military contingent deployed in Dushanbe, today began to patrol the streets of the Tajik capital round-the-clock. These security measures were approved on Monday by the coordination council of Tajik law enforcement bodies, which met here under the chairmanship of First Vice-Speaker of the Tajik Supreme Soviet Abdulmadjid Dostiyev. The vice-speaker said that they were prompted by the current dangerous criminogenic situation in the city, which had, in fact, gone out of control in recent days.

As earlier reported, a wave of terroristic acts swept the Tajik capital this May. Their victims included prominent Tajik businessmen and journalists, as well as officers of the Russian military contingent and the national armed forces.

The patrol squads are vested with extensive rights, including the right to inspect all types of transport vehicles, check the documents of citizens, and confiscate unlawfully possessed weapons. The areas, where Russian servicemen and their families are housed, are being guarded with particular care.

The patrols are allowed to open fire in case of resistance or refusal to obey their orders.

Kondratev Says Tajik Opposition Aims at Destabilization

LD0606125094 Moscow INTERFAX in English 1022 GMT 6 Jun 94

[Text] The chain of terrorist acts launched against Russian Army officers in Tajikistan in the past few days is a campaign planned in advance for the purpose of destabilizing the situation locally, Russia's Deputy Defence Minister, Cl.- General Georgiy Kondratev, told INTERFAX on Monday [6 June].

According to him, the hard-line opposition has not abandoned its intention to resolve the Tajik problem by force, including military measures. As the general said, at the moment the opposition is concentrating its forces not only on the border with Afghanistan, but also within Tajikistan. Russia's 201st motorized infantry division

stationed in Tajikistan is capable, in cooperation with Russian frontier guards and Tajik Government forces, of thwarting any military actions the opposition may launch from within Tajikistan and from neighboring Afghanistan, Kondratev declared.

MIR Denies Involvement in Russian Servicemen's Deaths

LD0606171394 Moscow INTERFAX in English 1404 GMT 6 Jun 94

[From the "Presidential Bulletin" feature: compiled by Nikolay Zherebtsov, Andrey Petrovskiy, edited by Vladimir Shishlin]

[Text] The murders of seven Russian servicemen committed in Tajikistan last week are a result of "a cold-blooded campaign planned in advance," said the commander of Russian frontier troops stationed in Tajikistan, Lt.-General Anatoliy Chechulin. IF Note: Sevem servicemen have been killed in Dushanbe in the past few days. The latest victim was Lt.-Colonel Sergey Leontikov, who was murdered Saturday [4 June] morning in a residential area of the Tajik capital.

"These brutal, well-organized and purposeful crimes pose the start of methodical terror against Russian servicemen," Chechulin told a news conference in Dushanbe. He accused a leading member of the Tajik opposition and Islamic Revival Movement, Akbar Turajonzoda, and the head of the so-called "government in exile", Said Abdullo Nuri, of having provoked these actions.

Russia's Deputy Defence Minister, Cl.-General Georgiy Kondratyev, also explained the series of terrorist acts with the unwillingness of the hard-line opposition to "give up its intention to resolve the Tajik problem by force, including military measures." According to the general, at the moment the opposition is concentrating its forces not only on the border with Afghanistan, but also within Tajikistan.

Russia's 201st motorized infantry division stationed in Tajikistan, in cooperation with Russian frontier guards and Tajik armed forces, is capable of stopping any military actions launched by the opposition within Tajikistan and from neighboring Afghanistan, Kondratyev said.

Chechulin demanded that Tajikistan's law-enforcement agencies investigate the murders without delay.

Earlier First Deputy Chairman of the Tajik parliament, Abdulmajid Dostiev, tried to assure Interfax's correspondent that there are no political grounds for the murders of Russian servicemen. According to him, these are purely criminal offences, and the authorities are doing their best to find those who committed them.

Some observers link Dushanbe's unwillingness to accept the version of political terror with its reluctance to aggravate relations with the opposition on the eve of another round of inter-Tajik talks which is to take place in Tehran on 14 June.

In the meantime spokesmen for the opposition Movement for Islamic Revival (MIR) qualified the Russian officials' assertions as to the involvement of the Tajik opposition in the terrorist acts as conflicting with reality.

In its statement released on Monday the movement said: "Certain circles are used to blame everything on the opposition. The acts of terror and violence committed in Dushanbe and other areas of Tajikistan reflect the intrigues of those forces which are not interested in a peaceful solution to the conflict, and which seek to hinder the process of talks. It's they who unleashed the civil war in Tajikistan for the purpose of seizing power, not for the purpose of restoring peace, law and order."

The statement points out that the Tajik opposition would like Russia to be "more impartial and neutral toward the conflicting sides."

The MIR welcomed Russia's suggestion that the opposition should join political reforms, such as debates on a new constitution, underway in Tajikistan. "However it's practically impossible to implement this initiative in the present circumstances. If a new constitution is adopted at submachine gun point, without the participation of about one million refugees, we will not recognize it," the statement points out. According to the MIR, "at first we must settle the conflict politically, ensure return for all the refugees, guarantee freedom of the press, speech, political parties and movements, and begin to discuss a new constitution nationwide in order to adopt it only after that."

Islamic Revival Movement Denounces Adamishin Statement

LD0606202594 Moscow INTERFAX in English 1511 GMT 6 Jun 94

[Text] The Tajik opposition would like Russia to be "more impartial and neutral toward the conflicting sides." This is announced in a statement Interfax received from the Tajik Movement for Islamic Revival (MIR). The statement was signed by one of the movement's leaders, Hoji Akbar Turajonzoda.

According to the statement, the assertion of Russia's First Deputy Foreign Minister, Anatoly Adamishin, that the opposition was involved in terrorist acts launched in Tajikistan, runs counter to reality. Adamishin made the statement in an interview with INTERFAX on 27 May.

"Certain circles are used to blaming everything on the opposition," the statement says. "Acts of terror and violence committed in Dushanbe and other areas of Tajikistan reflect intrigues by the forces which are not interested in resolving the conflict peacefully, and which seek to hinder the process of talks. It's they who

unleashed the civil war in Tajikistan for the purpose of seizing power, not for the purpose of restoring peace, law and order."

The MIR hopes that "Russia will not divide Tajik citizens into friends and enemies." "A mediator should be neutral, disinterested and just. If he departs from these principles and takes the side of one of the parties concerned, he loses the right to act as a mediator," the statement says.

For more information see today's "Diplomatic Panorama."

Rakhmonov Leaves for CIS Assembly in St Petersburg

LD0706084894 Dushanbe Radio Tajikistan Network in Tajik 0800 GMT 7 Jun 94

[Text] Emomali Rakhmonov, head of state and chairman of the Tajikistan Supreme Soviet, left today for St. Petersburg to attend a session of the CIS interparliamentary assembly.

Emomali Rakhmonov was seen off at Dushanbe Airport by Abdujalil Samadov, chairman of the Council of Ministers of the Republic of Tajikistan; Koimdodov, deputy chairman of the Republic's Supreme Soviet; the chairmen of the Supreme Soviet committees; the deputy chairmen of the Council of Ministers; and Senkevich, ambassador extraordinary and plenipotentiary of the Russian Federation to Tajikistan.

Turkmenistan

Niyazov Signs Accords With Indonesia

LD0506165594 Moscow Radio Moscow in Russian to Tajikistan 1700 GMT 3 Jun 94

[From the "Slavyanka" program of the Russian Defense Ministry]

[Text] While in Jakarta, Turkmenistan President Saparmurad Niyazov has signed bilateral agreements on economic and technical cooperation and on reciprocal protection of investments.

Uzbekistan

Karimov Plans Joining NATO Partnership for Peace Program

LD0606114594 Moscow Radio Rossii Network in Russian 1100 GMT 6 Jun 94

[Text] Uzbekistan intends to join NATO's Partnership for Peace program. This was announced at a news conference in Tashkent today by the Republic's president, Islam Karimov. In his words, membership in the program is aimed at protecting Uzbekistan's own interests. At the same time Karimov pointed out that Russia remains the main guarantor of stability in Central Asia.

Karimov, ROK's Young-sam Hold News Conference

LD0606133694 Moscow ITAR-TASS in English 1308 GMT 6 Jun 94

[Report by ITAR-TASS correspondent Vladimir Nadashkevich and Vilor Niyazmatov]

[Text] Tashkent 6 June TASS—Uzbek President Islam Karimov and South Korean President Kim Young-sam stated the similarity of their positions on international and regional issues at their joint news conference in Tashkent on Monday.

"As a result of the negotiations we have received mutual dividends," Karimov said, stressing the importance of the growing mutually advantageous ties between Uzbekistan and South Korea.

There are about 20 joint ventures in Uzbekistan which have established firm positions in the Uzbek market. "We want the conditions established for foreign investors to be first of all used by South Korea," he added.

Kim Young-sam stressed that both countries have a huge economic potential and pointed out that Uzbekistan is carrying out a realistic programme of reform which can be used in other central Asian republics. The South Korean leader pledged overall support for Uzbek reform.

Kim Young-sam and Karimov have already signed four agreements on cooperation in the field of culture, free movement of the citizens of the two republics, air transportation and cooperation between the Uzbek and South Korean foreign ministries.

Later today the South Korean president accompanied by the key ministers and representatives of business circles will fly to Vladivostok.

Cooperation Accords Signed With ROK

LD0606161294 Moscow INTERFAX in English 1312 GMT 6 Jun 94

[Text] Several accords were signed at the end of Uzbek-South Korean talks in Tashkent on Monday [6 June]—a cultural cooperation agreement, a bilateral free travel memorandum, an air service agreement, and a protocol on consultations and other contacts at foreign ministerial level.

Commenting on the outcome of the talks, South Korea's President Kim Yong-sam told journalists that the accords provided for "frontal cooperation between the

two countries in all fields of science, culture, and technology." "We regard Uzbekistan as an important potential partner," he stressed. In his opinion the most prospective cooperation fields are electronics, communication, telecommunication, and gas extraction and refinement.

"The two countries could prosper more by combining Uzbekistan's natural wealth with South Korea's technologies and finances," Kim Yong-sam said.

Noting the proximity of views with Seoul on a number of international and regional problems, Uzbekistan's President Islam Karimov spoke in favour of applying South Korea's experience in consolidating Uzbekistan as a state politically and otherwise. He described the Korean form of government as democracy rather than arbitrary rule and said that a factor such as strong executive power used by South Korea during its reform suited Uzbekistan as well.

Asked by INTERFAX about Tashkent's attitude toward NATO's Partnership for Peace program, Karimov said: "Uzbekistan has nothing against the idea of Partnership for Peace. Uzbekistan will sign this document. But we want to do so above all for national interests rather than reasons of fashion. Haste in this matter would be dangerous and improper," he said.

From Tashkent, Kim Yong-sam is going to Vladivostok tonight.

New Islam-Based Ideology Seeks To Unite Uzbek Nation

PM0606111294 Moscow ROSSIYSKAYA GAZETA in Russian 2 Jun 94 First Edition p 6

[Report by Vladimir Berezovskiy: "Timur Rises in Place of Marx"]

[Text] Tashkent—In the center of Tashkent, where only recently there towered a pensive granite Karl Marx, Amir Timur has ascended the pedestal, in gilt spurs. The fearsome conqueror of the East, whose empire stretched from Delhi to Damascus, henceforth symbolizes the might of the state and the unity of the Uzbek nation. Over here he is now like Prince Vladimir for Russians or Bismarck for Germans.

Uzbekistan's best minds have been thrown into the creation of a new ideology. The powerful wave of "perestroyka" nationalism, which smashed to pieces the dogmas of Marxism-Leninism, has receded. But what will take its place? All the signs suggest that the resulting vacuum will be filled by Islam.

A Western diplomat, arriving in Tashkent, was pleasantly surprised that Uzbeks remain...Uzbeks. He was not exactly discovering America. The people have not lost their national psychology. An Uzbek, just as he was hundreds of years ago, is loyal to his family and the norms of the Shari'ah; respectful of authority—which, as a rule, he personifies; tolerant in interethnic relations, practical, and sociable. Not to mention the fact that he has kept his own cuisine, songs, dances, and customs....

It is from this well that the authors of the new ideology draw their ideas. The aim is to unite the people around the leader, lead them through the wilderness, and give them hope. And whereas formerly this was the unattainable peak of communism, nowadays the country's streets and squares are adorned with another inspiring formula: "Uzbekistan—A State With A Great Future!" The author, of course, is Islam Karimov, who, unlike certain other CIS leaders, perfectly understands that, however bad Soviet ideology was, it make it possible to unite the nation to work for the good of the republic. He also perfectly understands that a nation cannot exist in an ideological vacuum.

The supporting structure of the emerging ideology is patriotism.

For instance, the Basmaks [anti-Soviet Uzbek nationalist movement in early twenties] are now esteemed as "champions of the faith and freedom." Like others who fell in the struggle against the "Red Empire," they will have a monument raised in their honor in Kokand. Writers and poets accused of nationalism and repressed under Stalin are being rehabilitated—people like Usman Nasyr, for whom one of Tashkent's central streets has been named.

One of the purposes of the new ideology is to overcome regionalism, the age-old separation of Uzbeks into Fergana, Khorezm, Bukhara, and Tashkent Uzbeks, which can still be seen today in the structure of the ruling elite. Disconnection and isolation have led to this people being virtually "absent" from world civilization for three centuries.

There are people and political forces who are trying to build a new social consciousness on "pushing away" from Russia and the Soviet Union, whom they represent as colonizers. Their sins are endless: russification, the forced imposition of socialism, the exportation of national treasures for a pittance.

The main target of the "reforging" is, of course, the younger generation. It is easier for young people to rid themselves of Soviet stereotypes and take on board new ideas. Hence, the entire education system is being hurriedly restructured. In just a few years Uzbekistan is to change its alphabet from the Cyrillic to the Latin, which will undoubtedly "cut off" the younger generation from the huge bulk of Soviet and Russian literature. Meanwhile, Tashkent has sharply reduced "Ostankino" and almost completely "cut out" RTV.

The old, for whom it is too late to change their views, have not been forgotten either. In Uzbekistan, 1 May—Victory Day—and 8 March have been left untouched. Monuments to Pushkin and Gorkiy have not disappeared, and Fergana's central street bears the name of Dmitriy Skobelev, the czarist general who built the city.

The ruling People's Democratic Party with its leader Islam Karimov aspires most of all to be the architect of the new ideology. The president never tires of repeating that the people are not ready for democracy of the Western type, and will not accept it entirely. And the spiritual face of Uzbekistan is probably being molded as a synthesis of the Turkestan renaissance, renascent Islam, and modern civilization.

Armenia

Cease-Fire Violations, Attack on Border Reported

NC0606161694 Yerevan Radio Yerevan in Azeri 1330 GMT 6 Jun 94

[Text] Dear listeners, we now present a report on the latest situation in the Nagorno-Karabakh Republic [NKR] and the border between Armenia and Azerbaijan.

Although the mediation effort to find a peaceful solution to the NKR problem is being maintained, Azerbaijan's military forces have continued to fire on the Armenian positions at the NKR front lines with various types of arms every day. We already reported in our previous broadcasts that the Armenian side wishes to remain committed to the agreement that has been reached on a cease-fire. In fact, the Armenian defense units have not returned the fire and refrained from retaliating against provocative activities in Martuninskiy Rayon today.

Meanwhile, no incidents occurred on the border between Armenia and Azerbaijan during the past day.

Azerbaijan's military forces attacked an area on Armenia's border, which is only five km from Noyemberyan, the night before last. An enemy battalion, supported by armored vehicles, attacked the defense positions in the vicinity of [place name indistinct]. A wave of artillery shelling preceded the onslaught. The enemy units tried to approach the Noyemberyanskiy Rayon center. They managed to advance in a few areas. However, the Armenian border units repulsed their attack at 0300 the next day. Azerbaijan's units were forced to retreat after losing many men and military equipment. The Armenian side also suffered casualties.

The Azerbaijani mass media organs claimed several days ago that the Armenian military units penetrated up to five km into the Nakhichevan Autonomous Republic. The objective behind the dissemination of such unfounded reports is to justify the Azerbaijani Military Headquarters' aggressive intentions. However, the enemy side must realize that it will not be able to achieve its objectives through aggression. Armenia's border guards are capable of appropriate retaliation against the enemy units.

Azerbaijan has been reluctant to relinquish its inauspicious intentions. Consequently, innocent people have been killed or wounded. How will the Azerbaijani Military Command Headquarters account to the families of the troops who have been killed in the latest clashes?

Azeris Reportedly Shell Karabakh

NC0606152794 Yerevan SNARK in English 0807 GMT 6 Jun 94

[Text] Stepanakert, June 6 (SNARK)—The relative peace in Karabakh, lasting for three weeks already, was violated last night by shellings of the positions of Karabakh Defence Army forces at the south-east (Martuninskiy) sector of the front. The Azerbaijani side used grenade launchers and various types of automatic weapons. As SNARK was informed in the Karabakh State Department of Information and Press, there had been no retaliate fire from the Karabakh side. No reports on the consequences.

Despite such actions, the observers tend to think that the truce is kept, on the whole.

Further on Shelling of Northern Border

NC0606134594 Yerevan Armenia's Radio First Program Network in Armenian 1300 GMT 6 Jun 94

[Text] Armenian Defense Ministry press service reported that the Azerbaijani Army continued its aggressive operations against the border in Noyemberyanskiy Rayon last night. The enemy shelled the defensive positions around Berdavan with infantry fighting vehicles and large-caliber guns between 2400-0240. There were no casualties. Our border guards abided by the cease-fire agreement and did not retaliate.

The same source reported a half an hour ago that the enemy resumed the shelling of (?Mertsavan) in Noyemberyanskiy Rayon as of 0600 this morning. They used various types of weapons [words indistinct]. The shelling continued sporadically throughout the day. There are no casualties. The Armenian side (?did not) retaliate.

RMK Army Col Babayan Promoted to General-Major

NC0406140294 Yerevan ARAGIL ELECTRONIC NEWS BULLETIN in English 0641 GMT 4 Jun 94

[Text] Stepanakert ("HAYASTANI HANRAPETUTYUN" daily - Armenpress), 06/04/94—RMK Supreme Council Session of June 3 promoted the Commander of the RMK [Republic of Mountainous Karabakh] defense army Colonel Samvel Babayan to the rank of General-Major.

S. Babayan was promoted to this high rank for the great input in forming and enforcing the RMK defense army, for supporting the interests and ensuring the security of the republic, for the great skills expressed in this field.

Karabakh land historically gave life to numerous famous commanders, generals and marshals. 29 year old S. Babayan became the first general of the Republic of Mountainous Karabakh, which declared its independence in December of 1992.

Border Trade Agreement Signed With Iran

PM0606132594 Moscow ROSSIYSKAYA GAZETA in Russian 4 Jun 94 First Edition p 6

[Karen Topchyan report: "Armenia-Iran: Ties Broaden"]

[Text] Armenia and Iran have signed an agreement on border trade between Armenia's Megrinskiy Rayon and Iran's Marand Province. This document envisages opening in the next few days a permanent market on the Armenian-Iranian border which will sell mainly clothing and foodstuffs duty-free.

This agreement is by no means the first joint document. Today over a dozen treaties are being implemented between the two neighboring countries in the sphere of politics, the economy, culture, and sport. Iran is Armenia's second most important economic partner after Russia.

Russian Nuclear Energy Specialists on 'Working Visit'

NC0506201394 Yerevan ARAGIL ELECTRONIC NEWS BULLETIN in English 0646 GMT 5 Jun 94

[Text] Yerevan ("AZG" daily), 06/04/94—As we have already reported, a delegation of the Russian Ministry of Energy visited Armenia. The delegation involves some twenty specialists in nuclear energy.

An "Azg" correspondent met the director of "Energia" enterprise, Director of the Russian institute of Nuclear Plants Use, Doctor of Technical Sciences, Prof. Armen Abaghian.

- Mr. Abaghian, why did you arrive to Yerevan?

- This is a working visit. You probably know that Russian Federation and Armenia signed an agreement on reopening the Armenian Nuclear Power Plant, and the majority of work will be carried by our specialists. We arrived to get acquainted with current state of the power plant and to define basic directions of our activity.

- What are the conditions at the plant?

- After preliminary operations, the plant is ready to reconstruction.

- There have been rumors that most of the equipment is stolen, is this true?

- This are senseless rumors. It's not easy to steal things from here. All main elements are in normal conditions.

- What's the main problem today?

- Financing. Some 100 million dollars are needed for reopening the block. Everything else is clear.

- Do you have security specialists in your delegation?

- Sure, the problems of physical security have been discussed in detail. These are all soluble problems and one shouldn't dramatize these.

- If the problem of financing is solved, do you think that the plant may be started up by winter.

- Yes, this is possible.

Prime Minister Receives Russian Scientists

NC0506183494 Yerevan SNARK in English 0612 GMT 5 Jun 94

[From the "Business SNARK Transcaucasia Economic News" 6th issue for 28 May - 4 Jun]

[Text] Yerevan—Representatives of the Russian Atomic Energy Ministry headed by the First Deputy Minister Lev Ryabiev were in Armenia with a two-day visit. They inspected Armenian nuclear power plant, and character of its deconservation work.

The Russian delegation was received by the Prime-Minister Grant Bagratyan. According to the agreement between the two states, a group of Russian specialists will soon arrive to the Armenian power plant and stay until the plant will be put to operation.

Prime Minister Guseynov Criticizes Privatization

NC0506183394 Yerevan SNARK in English 0612 GMT 5 Jun 94

[From the "Business SNARK Transcaucasia Economic News" 6th issue for 28 May - 4 Jun]

[Text] Baku—"No word may be of any reform, much more of privatization, in a state of war. Azerbaijan is not ready for all that. In present conditions, privatization would mean squandering of public property and seizure of people's wealth by mafia groups", told the Azerbaijani Prime-Minister Suret Guseynov at the Ministers' Cabinet meeting May 27.

The state of credit system in the republic was discussed at the meeting. Guseynov spoke again in favor of state enterprise support by credits. He noticed specially that priority should be given to oil and gas industry and agriculture.

Earlier, during the March meeting, Guseynov also emphasized that reforms in economy cannot be carried out in conditions of war.

While the total amount of credits increased during the last year for 5.9 times, the sum of over-time payments grew for 28.6 times. "The major burden of overdue payments lies on fuel and power complex, and on agricultural facilities", observed Guseynov.

In order to improve the financial discipline, Guseynov ordered the ministries and concerns to pass the state companies' accounts to the state banks. In their turn, the state banks shall grant credits to the fuel and power industries.

Suret Guseynov noted that the situation did not change though a number of top-rank officials were dismissed. He stressed the importance of strengthening the administrative measures and spoke in favor of addition powers for Ministers' Cabinet.

Georgia

Shevardnadze Weekly Interview 6 Jun

LD0606144994 Tbilisi Radio Tbilisi Network in Georgian 0606 GMT 6 Jun 94

[Weekly interview with Georgian State Council Chairman Eduard Shevardnadze by correspondent Nato Oniani; place and date not given—recorded]

[Excerpts] Batono [honorific title] Eduard, last week the CIS executive secretary [Ivan Korotchenya] visited Tbilisi, and it was said that all the CIS republics have agreed in principle to the deployment of peacekeeping forces [in Abkhazia]. However, Russia's Federation Council rejected the idea. Also last week, you had a telephone conversation with President Yeltsin. Should we prepare for some unexpected developments as far as the introduction of peacekeepers is concerned?

Another question. How would you comment on the following statement from [Russian State Duma] CIS Affairs Committee Chairman Zatulin: There is an alternative plan to the Russian initiative; it envisages the introduction to Abkhazia of troops of foreign states; if the Russian initiative fails, Russia will lose its reputation not only within the CIS but also in the entire world; as long as Russia is capable of carrying out peacekeeping operations, it will be a key factor in the world; the introduction of non-Russian forces to Georgia will result in Russia losing its influence.

[Shevardnadze] Thank you and good morning. The introduction of peacekeeping forces to Abkhazia has practically been decided. This was reaffirmed by Russian president Boris Yeltsin in a telephone conversation a couple of days ago. The details are being worked out now. Some aspects of this operation were discussed on television by Mr. Jaba Ioseliani [chief Georgian negotiator at the talks with Abkhazia] yesterday. He stressed some very important points.

Events will develop according to plan. At least, that is what Mr. Yeltsin confirmed during our conversation. A failure of this peace mission, if it happens, would seriously undermine the CIS's reputation as a major interregional organization. I think this would not be acceptable to any state, and, of course, this would be a serious blow to Russia. Peacekeeping, particularly in Abkhazia, is in Russian national interests. I am thinking here of the stability of the expanses of southern Russia. At the same time, this peace mission will reaffirm Russia's international standing. Therefore, while a successful completion of this mission is primarily in the interests of Georgians and the Abkhaz, and in the interests of the state of Georgia, at the same time it serves the interests of all CIS countries, and primarily of Russia.

I welcome Mr. Zatulin's comments, which are realistic and well- balanced.

[Oniani] The conflict in Abkhazia is only one of the conflicts which have developed on former Soviet territory and which were sparked off by aggressive separatism. These conflicts have long since become a regular matter and their number is, unfortunately, rather large. This has been for some time, and now a conflict has developed in Ukraine in connection with Crimea.

[Shevardnadze] I would say the following about this. Since the late 1980's, when the disintegration of the Soviet Union began, and especially in the 1990's, I have spoken publicly on more than one occasion about separatism and about the threat posed by aggressive separatism in post-communist times. One such example is my address to the UN General Assembly in September 1992.

Unfortunately, nothing was done in practice by either world or regional organizations to avert the threat of aggressive separatism or to create guarantees for a normal and peaceful life of the planet's citizens as the cold war was drawing to its historic end. The world has failed to recognize this threat and its scale. Those who did recognize it did little to carry out tangible measures. This is very unfortunate. Because of this, we are now dealing with unpleasant events in Europe and elsewhere which may turn into an even bigger threat in the future.

This general remark also applies to Crimea. I am sure that the Crimean problem will be solved within the framework of a single and indivisible state of Ukraine and with Russian assistance, which will have crucial importance. I want to stress that the Russian factor in settling the Crimean issue cannot be ignored.

Another point I would like to stress is that a confrontation between Russia and Ukraine cannot be allowed to happen. Such a confrontation would be a great disaster not only for the two great states, which are our friends, but also for other countries in Europe and Asia, including Georgia. Such a confrontation would inflict serious and irreparable damage on Georgia, the Caucasus in general, and the whole Black sea region.

[Oniani] Last week you hosted a meeting of representatives of law-enforcement bodies. After this meeting, the Interior Ministry carried out a major operation in Rustavi. Will such operations be carried out again in the future, and how successful do you think they are?

[Shevardnadze] We cannot be pleased with the present state of public order. However, we must remember what state our country was in a year ago, or even five or six months ago, and we should compare that with the present situation in the capital, in western Georgia, and in several other regions.

It is very important to recognize that there have been certain changes and that a tangible improvement has occurred, otherwise we will scare off our foreign partners who have a great desire to come to Georgia and work here, for example, in oil recovery, oil processing, gas recovery, and so on. We have created conditions for

these people to come and work in safe surroundings. Such conditions exist in Tbilisi, Rustavi, and regions of western Georgia. Unfortunately, the way we behave often creates the impression among public opinion in Europe and throughout the world that it is impossible to enter Georgia.

I would also like to say that public order is the main factor which will enable our country to emerge from the crisis. We should be guided by this factor.

As I told you, a lot has changed. It happened primarily because the role of internal affairs bodies has increased and their organization, mobilization, and professionalism have improved. Of course, they are getting assistance from the Defense Ministry, the security forces, and others. However, the main burden should be borne by the police.

Despite all this, these are only the first steps, since many very serious crimes and terrorist acts which have plagued the country remain unsolved.

The meeting you mentioned agreed that the Security Service has to take on the difficult job of struggling against terrorism. I said that all responsibility for the struggle against terrorism should lie with the Security Service. Of course it needs assistance and all of us should help it, but it should bear the brunt of responsibility itself.

In a few days I will submit to parliament draft laws which must be adopted if we want the struggle against crime to be more efficient. Life has changed, and new types of crime have emerged requiring new approaches and new laws. Therefore, parliament should by all means complete this job before going into recess. The draft laws are now being prepared.

Finally, I would like to tell our listeners that the struggle against crime will not slow down. On the contrary, it will be stepped up every day, with more levels of society becoming involved in this struggle.

[Oniani] Since we have mentioned Rustavi, let me ask you a question about the election which will he held there on 12 June. As you know, there are many rumors about these elections. Do you view these elections with the perspective of head of state or of chairman of the Citizens' Union? In other words, can you express your preference for a particular candidate?

[Shevardnadze] I would not like to separate the two, and I want the position of chairman of the Citizens' Union and that of head of state to be compatible.

As for the specific issue of Rustavi, my preferences may not mean much. I am just stating facts.

Several days ago I met with Rustavi Mayor (Soso Areshidze). The meeting took place at the initiative of (Sergo Doprotsashvili), a candidate for deputy [of the Georgian parliament], who accompanied the mayor.

Their first request was that I help the people of Rustavi establish and consolidate public order. The candidate for deputy painted a truly bleak picture. I decided to give instructions to Interior Minister Shota Kviraia, who promptly prepared this operation, which, as you know, was carried out successfully. The people of Rustavi have expressed sincere gratitude for this.

I do not think that this operation should be a one-off measure and part of a (?election) campaign. The interior minister has promised me that the Interior Ministry will focus its attention on Rustavi, that such operations will continue, and that order will be established in Rustavi. [passage omitted]

If my opinion matters at all, I would say that the candidate for deputy made a very good impression. He is a hard-working, modest, cultured, and competent person. He is also a native of Rustavi and is familiar with all problems of its inhabitants. My impression is that he is not trying to gain popularity by making ostentatious and cheap effects. He is a businesslike person. That is my opinion, but of course it is for the people of Rustavi to decide whom to elect.

[Oniani] And the final question. Last week parliament gave a lot of attention to issues relating to the struggle against the mafia and corruption. Political parties and the mafia, officials and the mafia—unfortunately, these issues are now being discussed among the public. Despite all the talk, there are few tangible results. There are reports that law-enforcement bodies have a lot of evidence concerning the involvement of officials and political leaders with the mafia. Some of this evidence has been published. It would be natural to ask what the authorities are waiting for. Are the situation and events unfolding today the reason for the authorities' delay in taking appropriate measures?

[Shevardnadze] When Georgia was in a state of civil war, which lasted in effect for several years, including the last few months of 1993 and the complex beginning of this year, it was difficult to speak about a struggle against corruption and organized crime. You know full well that these negative phenomena accompany wars. This dirty business comes to the surface during wars and sucks in a large proportion of the public. As soon as they were given the slightest chance the authorities emerged in the forefront of this struggle. A lot has been discovered, and there is still much more that remains to be revealed. Everything needs to be done in its own time and in appropriate circumstances. The struggle against the mafia and corrupt groups has to be dealt with by the whole of society and this will be achieved.

You may have noticed that in the last month—or, rather, one and a half months—a lot of material has been published in the press concerning the mafia, organized crime, and criminals in the economy, finance and so on. This is not the end of the story; on the contrary, even more material will be published in future. However, it will be published at a time when it can be published.

As regards parliament's active role in this, naturally, such a role by the supreme legislative body should be welcomed. Without it, there can be no talk of finally overcoming corruption as a phenomenon. However, parliament should work using methods that are appropriate for it. For parliament to take over the functions of the law-enforcement bodies and their operational services could lead to a further disaster. We could end up in a terrible situation of no return.

Therefore, I stress that parliament should work and exercise its right to control and check. However, when some deputies want classified information to be ... [pauses] How could that happen if classified information were to be obtained by special means and methods. Only employees serving this cause should have access to such information. If parliament were to look into it, advertise it, and make it public, not a single case would be solved in Georgia. As I told you, I know that there would be very bad results if the functions of legislative bodies and those of law-enforcement bodies were mixed up. As I told you, this would mean disaster.

[Oniani] Thank you for the interview.

Former Minister Appointed Cabinet Chief of Staff

LD0306181194 Tbilisi First Program Television Network in Georgian 1600 GMT 3 Jun 94

[Text] By an edict of the Georgian Cabinet of Ministers, Valerian Rostomis dze Asatiani [former culture minister] has been appointed the chief of the Cabinet of Ministers office.

The Georgian Cabinet of Ministers relieved Leri Vladimeris dze Gigineishvili from the post of administrative manager of the Cabinet of Ministers due to his appointment as chairman of the Socio- Economic Committee of the Republic of Georgia.

'Furor' Over Alleged Shevardnadze Abuses

PM0706092294 Moscow ROSSIYSKAYA GAZETA in Russian 7 Jun 94 p 6

[Mikhail Dolidze report: "Georgian Watergate"]

[Text] Tbilisi—The furor concerning accusations that Shevardnadze has been using the state apparatus to form his own party is coming to a head.

The parliamentary deputies who are members of Shevardnadze's party, which is called the Union of Citizens of Georgia, have come under sharp criticism from retired Prime Minister Tengiz Sigua, who has accused Shevardnadze of abusing his official position for political ends, stating that "it is immoral for someone in the leadership to create his own political force."

Sigua said that he has documents which show that the head of the Georgian state apparatus is taking part in the creation of regional sections of the Union of Citizens. In response, Shevardnadze called the former premier a liar, stating that if "the protocols of the elders of the Union of Citizens confirm the apparatus' involvement in setting up regional party organizations, the head of the republic will have sufficient conscience not to enter parliament again."

Meanwhile, Sigua's accusations have been borne out in part, as it is not Shevardnadze's actual signature but a facsimile which figures at the bottom of one of the December protocols of proceedings where the creation of regional party branches is indeed entrusted to the deputy head of Shevardnadze's apparatus.

The head of state should be given his due—he raised the question of setting up a parliamentary commission with extensive opposition representation which will study all the circumstances of the affair and then deliver its verdict. The decision on the makeup of the commission will be made at an emergency session of parliament.

A furor is thus shaping up. The setting up of a parliamentary commission is, as Shevardnadze asserts, essential if the participation of the apparatus of the state leader in purely party affairs is not to set a precedent in Georgia for the future. One parliamentary opposition leader who enjoys great respect, the Republican Ivlian Khaindrava, has dubbed the event the "Georgian Watergate."

Georgia Insists on Joint Command of Russian Bases

NC0606200994 Yerevan SNARK in English 1513 GMT 6 Jun 94

[Text] Tbilisi, June 6 (SNARK)—Rezo Adamia, secretary of the Georgian Parliament Commission on Defence and National Security told SNARK today Georgia insists on joint command over Russian military bases, stationed in Georgia. In his opinion, the command over the Russian bases should be implemented on coordination with Commander- in-Chief of Georgian Army.

Besides, we suggest that in the Russian troops, should also serve Georgians, but the Russian side is very suspicious in this question. Among the serious discords at the negotiations is also the problem of the terms of the troops' staying. Russia insists on the term of 25 years, but Rezo Adamia considers that the agreement should be signed for 5 years. It will allow to revise it and to move necessary amendments every 5 years. "We should follow the example of the American bases in Philippines," said the MP.

Peacekeepers' Deployment 'Unresolved'

LD0606171994 Moscow INTERFAX in English 1521 GMT 6 Jun 94

[Text] The Geneva talks on the settlement of the conflict between Georgia and Abkhazia have been re-scheduled

from June 9 to 15 because the problem of the deployment of peace-keepers into the zone of the Georgian-Abkhazian conflict remains unresolved.

The press-service for the Abkhazian Ambassador in Moscow said the postponement was caused by the refusal of the Russian Federation Council to agree to the deployment of the peace-keeping force along the confrontation line along the Inguri River from June 10 to 15.

The Federation Council, which considered the problem last week, decided the reasons in favor of Russian troop deployment in the Georgian-Abkhazian conflict zone as outlined in the letter to the upper house of the Federal Assembly by President Yeltsin were insufficient. Members of the Federation Council also pointed to the absence of a legal basis to determining the status of the Russian troops outside the country.

Meanwhile, following the decision of the Federation Council, the Georgian leader Eduard Shevardnadze said in Tbilisi that Russian president Yeltsin had assured him in a telephone conversation of the early deployment of Russian peace-keepers into conflict zone.

Crime-Fighting Paratroop Brigade Introduced

PM0606134594 Moscow KRASNAYA ZVEZDA in Russian 4 Jun 94 p 3

[Vitaliy Denisov report: "Will Bandits Now Have Difficulties in Georgia?"]

[Text] Tbilisi—A special-purpose paratroop brigade has appeared within Georgia's State Security Service. According to the service's chairman, Igor Giorgadze, brigade personnel have been trained at Russian special services training centers. The "special-purpose forces" include motorized rifle and combat engineer subunits and an antiterrorist squad. The "special forces" will cost the taxpayer around 5 billion Russian rubles a year. But, according to independent experts, the brigade will be capable of more than covering the expenditure on its upkeep. Provided of course that certain conditions are created for it to fight crime.

National Bank Halts Registration of New Commercial Banks

AU0406165594 Tbilisi REZONANSI in Georgian 26-27 May 94 p 1

[Kakha Beradze report: "The Registration of Commercial Banks Was Halted in Georgia on 25 May"]

[Text] As has been pointed out in the National Bank, there has been a more than sufficient increase in their number. As of 24 May, the number of commercial banks that had been registered amounted to 210, of which 138 were set up during the last year and a half.

According to specialists, such an increase in the number of commercial banks has been due to the inflation of the coupon. The exchange rate of the coupon is increasing constantly whereas the minimum capital fund for newly created banks remains, as before, 500 million coupons. If, in January, this amount was equivalent to $3,000, it was worth $480 by mid-May. It is unrealistic to open an enterprise with this amount, yet it is wholly possible to open a commercial bank, which Georgian businessmen, moreover, are using to their advantage. It is precisely for this reason that commercial banks have sprung up like mushrooms; the National Bank has put a temporary halt to their further increase until new rates are established for the minimum capital fund.

Estonia

Russian Deputy Foreign Minister Arrives in Tallinn

LD0706094994 Tallinn Radio Tallinn Network in Estonian 0900 GMT 7 Jun 94

[Text] Russian Deputy Foreign Minister Vitaliy Churkin has arrived in Estonia. More details now from Hillar Nahkmann who has just returned from Tallinn airport.

[Nahkmann] Vitaliy Churkin was welcomed by Raul Malk, his interlocutor at the negotiations table. Both men emphasized that this is already their second meeting, continuing the talks which began in Geneva. During the meeting in Geneva there was a very friendly and warm atmosphere. Today and tomorrow the two major issues of the Estonia-Russian talks will be under discussion—troop withdrawal and the future of the pensioners, Russian military pensioners, and their status in Estonia. Both men were reluctant to speak about this issue. [passage indistinct]

Einseln Wants Israeli Connections Made Public

WS0606143194 Tallinn BNS in English 1140 GMT 6 Jun 94

[Text] Tallinn, June 04, BNS—Major General Aleksander Einseln, the commander-in-chief of the Estonian Defense Forces, stated at a press conference Saturday that all details pertaining to Estonian-Israeli relations must be made known to the public.

"The arms deal with Israel is like an ulcer in today's Estonia that threatens to poison the whole organism. Everything connected with the TAAS Israel Industries Ltd. has given rise to mistrust and intrigues. The only way to get rid of the abscess is to cut it open," the general said.

The Estonian Government concluded the controversial arms deal with TAAS in January 1993 and the parliament ratified it behind closed doors in December. The price of the weapons Estonia bought, over 49 million U.S. dollars, is to be paid in two parts by Feb. 1, 2000.

Einseln said if all particulars of the deal were made public there'd be "no room for reciprocal accusations and allegations of dishonesty and corruption."

"Estonian people's money has been used to buy the weapons and the government has the obligation to prove that it was done honestly and legally. The people have the right to demand an explanation," the general maintained.

In his opinion, an independent commission to look into the deal should be set up and all its findings made public.

Einseln asked President Lennart Meri on May 31 to accept his resignation. One of the reasons behind his decision, he said, is that Prime Minister Mart Laar didn't tell him about plans for cooperation with Israel in the defense sphere.

Einseln found out May 16 that an Estonian-Israeli working group had been set up to deal with, among other issues, national defense problems.

"Laar didn't reply to my inquiries, but produced halftruths or lies. By now it's become clear that also Ants Laaneots, the former chief of Defense Forces general staff, concealed information from me," Einseln told BNS.

Laar had in February a meeting with a group of Israeli officials led by General Dan Shomron at which Estonia's security and defense concept and prospects for defense cooperation between the two countries were discussed. Also, a joint working group was then set up.

The government press service, however, denied Einseln's accusations and maintained that neither the government nor ministries had signed any pacts or agreements without informing the Defense Forces general staff.

"Information is not kept secret in a democratic state. I didn't know until recently that I was being lied to and that information was purposely withheld from me. I don't get mixed up in dirty business like politics, so it's all the same to me who's the prime minister or who's the defense minister. I do my duty and deal with the Estonian Defense Forces," the general told reporters.

Einseln also said he was surprised at the role Leonid Apananski, a private person, has played in Estonian-Israeli relations.

"It's absurd that Apananski the private person should be empowered by the Foreign Ministry to handle questions of national defense and I know nothing about it," he said.

The defense forces commander declared he was disappointed with Estonian reporters, since they'd failed to bring to light the behind-the-scenes workings of Estonian-Israeli relations.

"In a democratic state it's the journalists who uncover such things," he said. "I hope you'll do your job better in the future and bring such deals to light."

Einseln Denies Defense Minister Candidate Return

WS0606141394 Tallinn BNS in English 1132 GMT 6 Jun 94

[Text] Tallinn, Jun 06, BNS—Major General Aleksander Einseln, the commander-in-chief of the Estonian Defense Forces, told reporters on Saturday that there was no way Raul Opik, one of the candidates for the defense vacancy, could return to the army.

Einseln discharged Opik the same day the general staff officer gave his consent to being nominated for the ministerial post.

"Since he got mixed up with politics, that's where he's going to remain," Einseln told reporters. "Military men have no place in politics, nor politicians in the defense forces."

Opik as a candidate for defense minister has already faced several parliamentary factions. While some political forces have remained neutral, others, like some members of the Estonian National Independence Party [ENIP] and the Liberals factions, are opposed to him. There is a rumor that, because of opposition from the ENIP, the premier has considered other possibilities. The name of Juri Valge, an advisor to the defense forces commander, has been mentioned in this context.

Prime Minister Mart Laar hasn't so far submitted any names for the president's approval.

Opik, who served on the general staff of the Estonian Defense Forces, has graduated from Tartu University in biology and taught his subject at several schools in Tallinn. In November 1993 he completed a course for U.N. peacekeeping forces' staff officers in Sweden. He has done a stint in peacekeeping in Croatia.

Several general staff officers predicted that Opik would have a brilliant military career in the Baltic peacekeeping battalion under formation.

Round of Free Trade Negotiations With EU Closes

WS0706101994 Tallinn ETA in English 1744 GMT 6 Jun 94

["News Release"]

[Text] Estonian delegation at Estonian-European Union free trade negotiations, after returning from Brussels, gave a news conference saying progress had been made while several issues remained to be discussed further.

Latvia has closed the negotiations and is ready to initial the agreement, the head of the Estonian delegation, Priit Kolbre, said.

The main problems between Estonia and EU are in the field of textiles, Signe Ratso from the Estonian Economics Ministry said. Estonia is opposed to the double check system EU requests which would mean that Estonia should impose administrative control over all textile products moving to European markets. That contradicts Estonia's economics policy and understanding of free trade, Ratso added. Besides, imposing such mechanisms and issuing licenses is very costly. At the moment, Estonia enjoys tariff- and quota-free access to European markets, Priit Pallum from the Economics Ministry remarked.

Another field under negotiations were fishery, customs and agriculture.

Estonia is satisfied with the results achieved in the fishery group and, hopefully, EU member countries will accept the quotas, Lauri Vaarja, head of the Estonian Fishery Board, said.

The negotiation on agricultural produce must also continue as Estonia views conditions included in the protocol on market protection system unfavourable, deputy chancellor of the Ministry of Agriculture, Ruve Shank, said. Shank also said Estonia opposed the so-called joint Baltic quota proposed by the EU which would mean that the country which is the first to bring its check-up systems to European level would benefit most of the quotas.

Estonian-EU free trade agreement is expected to be initialled in the beginning of July and signed in October or November. In that case it can take effect on January 1, 1995 as planned.

Latvia

Foreign Minister Andrejevs Resigns

LD0606210894 Riga Radio Riga Network in Latvian 1700 GMT 6 Jun 94

[Text] The Saeima presidium accepted Foreign Minister Georgs Andrejevs' resignation as Saeima deputy. The presidium instructed the Central Electoral Commission to determine which of the candidate deputies from the Way of Latvia union will take Andrejevs' place. According to unofficial information, Saeima Deputy Georgs Andrejevs will be replaced by Maris Zvaigzne, head of the Foreign Ministry's department of archives and chancellery.

On 4 June Andrejevs submitted a letter to Prime Minister Valdis Birkavs asking him to accept his resignation as foreign minister, and today Andrejevs submitted a letter to the presidium of the Saeima on giving up his mandate.

Georgs Andrejevs has also distributed a statement sayimg that the Supreme Council's electoral law, which he believes was formulated erroneously, has been preserved by the law adopted in the Saeima on 19 May. The statement also says that the events in recent days after the publication of the open letter in the press on 28 May prevent him from continuing work not only as a Saeima deputy, but also as foreign minister.

In accordance with international standards in legislation, each person's guilt is determined by his specific activities and not by where he belonged. This also applies to collaboration, because the need for more exact definitions is dismissed in advance. By disregarding this, we are moving further away from the Western world into which we want to become integrated.

Only a proven fact may serve as an argument for restricting the activity of an individual and for punishment of a different kind, considers Georgs Andrejevs, expressing the hope that his resignation will assist the public and the legislators in realizing the need for changes in the legislation of the Republic of Latvia.

Information: The electoral law of the Fifth Saeima provides that any citizen of the Republic of Latvia can be nominated as a candidate deputy if he has signed a statement that he has not been nor is now a staff or nonstaff employee of the USSR or Latvian SSR state security committees; of the USSR Ministry of Defense; of Russian security services, army intelligence services, or counterintelligence services; an inheritor of the rights of the USSR and of other countries; or an agent, resident, or keeper of a safe house belonging to these bodies.

Resigns Over KGB Allegations

LD0606154394 Moscow ITAR-TASS World Service in Russian 1500 GMT 6 Jun 94

[By ITAR-TASS correspondent]

[Text] Riga, 6 Jun—Latvian Foreign Minister Georgs Andrejevs on Monday asked the government to accept his resignation. He also gave up his seat as a member of the Saeima today. His powers as a deputy were suspended by parliament at the end of April because the minister's name was discovered in a card index of agents of the former KGB.

At the same time, Andrejevs issued a statement in which he expresses the hope that his resignation will "help society and legislators realize the need to make changes to Latvia's laws." He believes that only a proven fact should serve as the reason for punishing or limiting the activity of an individual. It is the imperfect nature of Latvia's laws, in which the concept of "collaboration" is in need of clarification, and also the reaction in the country to his open letter in which he described what his contacts with the KGB had been, that made the minister decide to resign.

As already reported, Latvian laws do not permit those who collaborated with the KGB to be deputies or occupy certain state posts.

Transportation Agreement Signed With Norway

WS0606143294 Tallinn BNS in English 1140 GMT 6 Jun 94

[Text] Riga, Jun 04, BNS—Latvian Communication Minister Andris Gutmanis and Norwegian Ambassador Torbjorn Olbu signed Friday a bilateral agreement on international auto transportation.

The agreement is designed to promote passenger and freight transports between the two countries, as well as transit via their territories, the Riga-based DIENA newspaper reported.

Latvia and Norway have already started successful cooperation by signing a contract on the supply of Norwegian Alkatel firm's telecommunications equipment to Latvia in the framework of the Tilts program.

Olbu claims that Latvian and Norwegian cooperation will broaden in the future, especially in the sphere of telecomunications.

The signed agreement takes effect starting with the day of its signature and remains valid until any of the parties announce an intention to break it six months in advance.

Redesignation of Military Antenna Viewed

PM0306134394 Moscow NOVAYA YEZHEDNEVNAYA GAZETA in Russian 30 May 94 p 1

[Vladimir Nevelskiy report: "No Need to Beware of Space Communications"]

[Text] St. Petersburg—A hitherto top-secret instailation 20 kilometers from Ventspils and owned by the Russian Defense Ministry's Main Intelligence Directorate (GRU) opened its doors Monday to Latvian parliamentarians, the scientific public, and journalists.

This former military camp, where a handful of specialists and soldiers remain, is still kept in ideal order. There is no spitting or discarding of cigarette butts here. Everything is spotlessly clean. And yet the camp is not so small. It is located in the depths of the border zone, covering 40 hectares of a beautiful pine forest. There are five apartment blocks of 100 apartments each on its territory, along with a kindergarten, school, barracks, large hospital, club, gymnasium, and stadium. Add to this a superb garage and filling station and a powerful boilerhouse and generator hall with two marine diesel generators each producing one megawatt, and you will have some idea of the site, whose existence used to be a strict military secret.

Its main asset is its unique 32-meter antenna. All around the world such giant installations can be counted on the fingers of one hand. This 1,000-tonne structure designed for space communications is one of the most precise and complex of modern instruments. It is around this antenna that the fuss has now developed.

Owing to the hasty Russian troop withdrawal from Latvia our country is nursing colossal losses. There are many installations on this Baltic republic's territory which cost astronomical amounts of money to build and are now having to be abandoned. In particular, Latvia has inherited 26 former military airfields with ideal concrete runways (four of them are the best in Europe) capable of handling all types of aircraft, including the heaviest transports. Latvia is simply unable to digest everything it has inherited. Real estate, even if left unmonitored for a short period of time, becomes easy prey for looters. There are now whole gangs of them in the republic who rob abandoned military installations.

For instance, immediately after one flying unit was withdrawn and redeployed to the east, the robbers descended on the deserted airfield. When, a couple of days later, representatives of the local authorities arrived here, they saw a picture that is now typical of Latvia—stores were opened and sealed premises broken into. The raiders took everything they could find, including doors and window frames.

Obviously, the same fate would be in store for the Ventspils installation. But, fortunately for it, events have begun to develop to quite a different scenario.

When equipment was removed and the question of dismantling the antenna arose, the military consulted its developer—Professor Boris Alekseyevich Poperechenko, chief designer at the Moscow Power Institute. He flew in and satisfied himself that dismantling the dish would be impossible. Did that mean it had to be blown up? No, the chief designer could not tolerate the idea of destroying his brainchild, which was the embodiment of state-of-the-art Russian technology. He suggested a different option.

That was how the news of this unique installation reached the Russian Academy of Sciences. And the leaders of the Applied Astronomy Institute proposed using it for absolutely peaceful purposes.

The fact is that this antenna is a superb radio telescope. The Russian Academy of Sciences' scientific organizations had never dreamed of such modern equipment. The largest telescope our radio astronomers have available to them is the 22-meter dish in Serpukhov. Consequently, when they need to do serious space research, they are forced to appeal to the military and to lease free time on their dishes. Understandably, in this situation you can only ever do one-time experiments, rather than systematic observations.

There was one other reason why it was important for the Russian Academy of Sciences to get its hands on the Ventspils installation. For eight years now the Applied Astronomy Institute has been implementing under a government decree the "Quasar" project—a national Russian system of radio interferometers to be based on six 32-meter dishes located over a huge area from Leningrad Oblast to Kamchatka and from Murmansk to the North Caucasus. The greater the distance between the dishes, the more accurately the coordinates of stars and quasars can be determined and the more reliable the research results will be.

Project "Quasar" will also make it possible to resolve purely applied tasks connected with precision cartography, geodesy, the study of the country's natural resources, and so forth. But the construction of each of its six centers will require billions in expenditure and take a long time—building a counterpart of the Ventspils dish will take up to 10 years. That is why the scientists are so interested in using it for the needs of fundamental and applied science.

This sensible and noble idea has met with a response from virtually everyone. After visiting Riga in late April a government delegation from Moscow signed a protocol envisaging joint work between scientists from the two academies of sciences, and a fundamental decision was reached to set up a Latvian-Russian radio astronmy center. It only remains to sign the already prepared draft intergovernmental agreement, but....

"Initially we could not understand what was going on in Latvia," Andrey Finkelshteyn, deputy leader of the Russian Government delegation and director of the Applied Astronomy Institute, said. "All the necessary permits and signatures had seemingly been collected, the idea had been approved in government circles, and—nothing happened. Then we realized that the Latvian Government is in a more difficult position than our own: Every step it takes is monitored by the opposition, if it took one step out of line it would be destroyed. Consequently, the republic's leaders are afraid that during the debate in the Saeima somebody will state that it is not Russian scientists who want to come to the Ventspils site, but disguised intelligence operatives; that the government has struck a deal with the Moscow generals.... And another scandal would break.

It was in order to calm things down and reassure the Latvian public that such fears are groundless, that the sensational "open-door" event was held near Ventspils Monday.

Lithuania

Government Faces Possible No Confidence Debate

LD0606214394 Vilnius Radio Vilnius in English 1900 GMT 6 Jun 94

[Text] The Seimas [word indistinct] has presented the government with a statement of no confidence against the cabinet led by Prime Minister Adolfas Slezevicius. The statement was initiated earlier by the Social Democrats. After receiving an official reply, required within 14 days by the government, the parliament has five more days to open Seimas discussions. More than 50 percent of the parliamentary votes are needed to pass a vote of no confidence against the cabinet.

Brazauskas Signs Law on Government

WS0706102094 Tallinn BNS in English 1805 GMT 6 Jun 94

[Text] Vilnius, Jun 06, BNS—Lithuanian President Algirdas Brazauskas on Monday signed the recently adopted law on government, which comes into effect next week.

In his traditional Monday radio interview this week, Brazauskas said outlays on government will not increase, although the number of ministries will grow from 16 to 19.

The president said changes within the Cabinet do not mean that a government of experts will be replaced by government of politicians. Brazauskas emphasized that ministers must be both politicians and experts.

Commenting on the creation of the new Environment Protection Ministry instead of the currently existing department, which is subordinate to the parliament, Brazauskas said it is not normal that an institution of the executive branch belongs to the legislative branch. Besides, he said, such ministries exist in nearly all countries around the Baltic Sea. Similar structures should deal with such problems as pollution of the sea, Brazauskas said.

Discussing division of the Culture and Education Ministry into two separate ministries, the president said these institutions were merged artificially and the step proved to be incorrect.

In Brazauskas' words, the new Municipal Affairs Ministry will not be very big, but is needed to carry out government reforms "from the top to the bottom."

Official Gives Details on May Inflation

LD0606155394 Moscow INTERFAX in English 1312 GMT 6 Jun 94

[Text] Last May, the rate of inflation stood at 6.2 percent in Lithuania. Director-General of the Lithuanian government's Statistics Department Kestutis Zaborskas told INTERFAX that the rate of inflation, registered last May, was the highest this year. However, it was lower than some local economists and manufacturers predicted (20-30 percent).

Zaborskas believes that the main cause of the inflation jump was the introduction of the 18 percent VAT [value added tax] which replaced the 18 percent general excise levied on a narrower range of goods and services, and which did not apply to imports.

Alcoholic drinks and tobacco became 11.4 percent more expensive - the highest increase registered last May. Prices on food went up by 5.5 percent, clothes and footwear by 4.5 percent, rent and electric energy by 7.1 percent, transportation and communication by 8.2 percent and other goods and services by 8 percent.

In April, the rate of inflation stood at 1.6 percent. Zaborskas said that in June it will not exceed 3-4 percent.

In Latvia, the rate of inflation was 2.7 percent last April and in Estonia - 3.1 percent.

Statistics Belie Promises on Living Standards

PM0606100594 Moscow IZVESTIYA in Russian 2 Jun 94 p 3

[Nikolay Lashkevich report: "Socialists Paying Less Than Capitalists"]

[Text] Vilnius—An analysis of statistics on the social situation of the inhabitants of Lithuania, Latvia, and Estonia published in the Lithuanian press shows that the worst Baltic country to live in is Lithuania and the best is Latvia.

The highest minimum wage—15 lats or over $26—was recorded in Latvia. Estonia is next with 300 kroon or over $22, and Lithuania is in last place with a mere 50 litai or over $12. The differences in average wage in the Baltic countries are less pronounced: Latvia leads with over 70 lats or almost $123, while the figures for Lithuania and Estonia are respectively almost 347 litai or over $88 and 1,165 kroon or almost $86. The average pension in Lithuania and Estonia is also virtually half that in Latvia.

Thus the difference in wages and pensions is still considerable and in the coming months this gap in living standards could increase even further, because since Lithuania introduced a tax innovation—18-percent value-added tax—prices of essentials have rocketed.

The conclusion for the Lithuanian authorities is a very sad one: The market socialism with strong social support constantly proclaimed by the ruling party of Algirdas Brazauskas (this program helped it to win the elections) has proved to be no more than a slogan. Reality tells a different story: The living standard lags behind that of the neighboring Baltic republics, where power is not in the hands of socialists who are accustomed to thinking of themselves as champions of social justice.

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